The China Weekly

REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

The Election of Municipal Councillors

Will the War of Words Become a War of Bullets?

Why the Reds Raided Chinese Border Cities

China's Opposition to League Opium Inquiry

By R. Y. Lo

Fair Play for China

By H. Benson-Currie

The Latest Extrality-Comedy from Harbin; The Minseito Victory and China Policy; The "Cleverest" Japanese Selling Stunt; The Regeneration of a World Power; Passing of the Compradore Order in Shanghai; Who Is To Blame About Davao? by Pedro Q. Paguia; Mongolia, Its Trade Routes and Trends, by H.D. Robinson; The Fukien Coup D'Etat, by C.T. Liang; A Preview of China's New National Capital, by C.Y. W. Meng; The Far East Looms Large in 1930 Problems, by Henry Kittredge [illegible]; A Reconstruction Program for China, by Chang Chia-ngau; The Impending Civil War in China.

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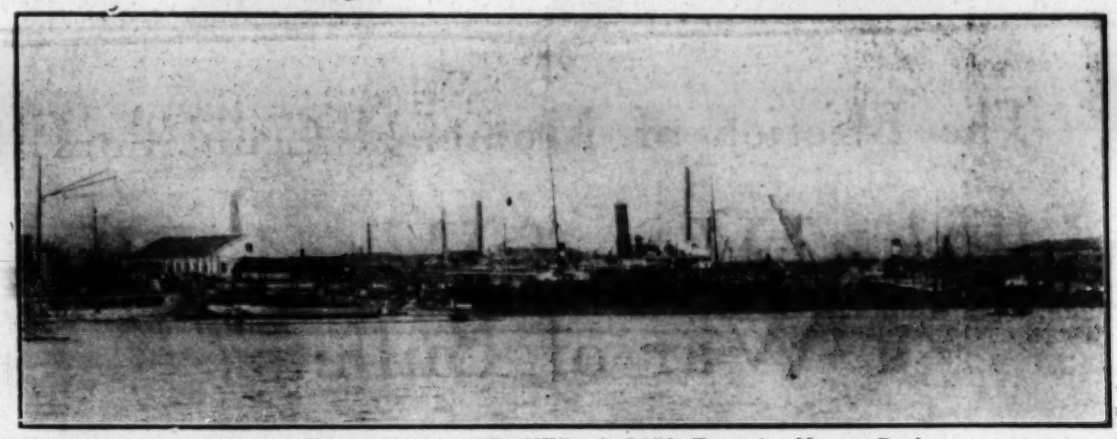

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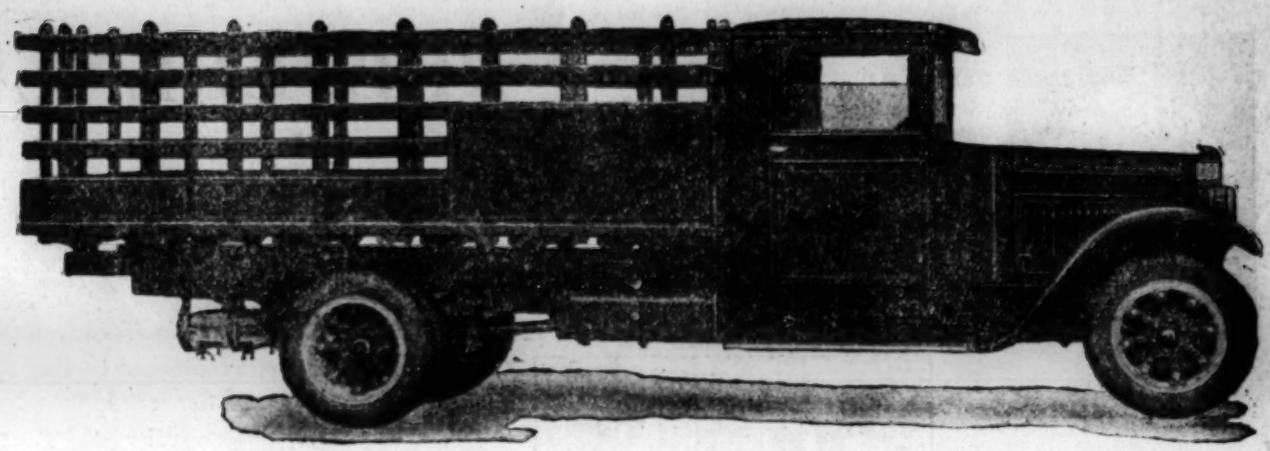

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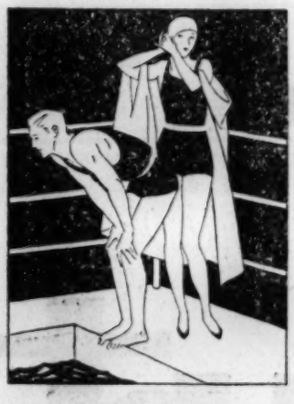

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The China Weekly REVIEW

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J. B. POWELL, Editor and Publisher
EDGAR SNOW, Assistant Editor
H. L. FELTON, Business Manager
JOHN L. SCHENG, Advertising Manager
FANG FU-AN, Circulation Manager

CONTRIBUTING EDITORS

GEO. W. MISSEMER — C. Y. W. MENG
CHAS. A. DAILEY (Peiping). — SAMUEL H. CHENG (S'hai).
EVA CHANG (Nanking) — P. T. CHEN, B. Y. LEE
STEPHEN WANG (Tientsin) — C. T. LIANG

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LATEST EXTRALITY COMEDY FROM HARBIN

A BRITISH motor-car dealer in Harbin sold a car to a Russian chauffer, the sale being on the installment plan. Business being bad the Russian pawned the car to a Japanese pawn-boker; later he sold the car outright to a Japanese and pocketed the money. The British automobile dealer, who had received only one payment on the car, finally traced his property to the Japanese purchaser. Since the Japanese purchaser possessed exterritorial rights, the British dealer lodged a complaint with the Japanese Consul, but the Japanese consul refused to take any action, insisting that the car had been purchased and paid for in good faith. Not being able to obtain any satisfaction in the Japanese consular court, the British dealer watched his opportunity and one day when the Japanese left the car standing in the street, the dealer jumped in and drove the car to his garage where he locked it up. The Japanese purchaser then lodged a complaint with the British Consul in Harbin, charging the British motor-car dealer with theft of the car. But the British consul refused to take any action, alleging that the car never had been paid for when originally purchased by the Russian chauffer; furthermore, "your Japanese consul refused to act when my British subject complained after you had purchased the car from the Russian chauffer." Not being able to obtain any satisfaction in the British consular court, the Japanese then watched for an opportunity and one day found the British auto-dealer's own private car standing in the street. The Japanese hopped in and drove the car away and still is maintaining possession. The car happened to be a much more valuable car than the original car that started the exterritorial-comedy, hence the Japanese is now snapping his fingers at the British dealer. Also it is said that the British and Japanese consuls in Harbin have ceased speaking to each other. As for the Russian chauffer, the only character in the Harbin-extrality-comedy, who possesses no Exterritorial "rights;" he seems to have gotten away entirely free!

The foregoing report, which was taken almost verbatim from a letter from a correspondent in Harbin which appeared in one of the local foreign newspapers, did not state why the Chinese authorities in Harbin had taken no action against the Russian chauffer for disposing of an automobile which did not belong to him. It is possible that the Chinese, possessing a well-developed sense of humor, have taken no action due

to their feeling that the lesson of the extrality-mixup might not be entirely lost on the foreigners.

WHY THE RED TROOPS RAIDED CHINESE BORDER CITIES?

THE *United Press* correspondent in Peiping recently sent out a story based on an interview with an American traveler (name not given) who had been in North Manchuria and who alleged that the reason for the Soviet raids into Chinese territory during the course of the Sino-Russian conflict last year, "was for the purpose of breaking up nests of smugglers." The "American traveler" was quoted as stating that he had been told by Soviet officials, recently returned to Manchuria, that this explained the reason for the destruction of hundreds of Chinese 'smuggling villages,' by the Red troops. Further on in the interview it was stated that "White Russians also had settled in these villages, in which, almost every one of the inhabitants was engaged more or less exclusively in smuggling goods into Russia." As for details regarding the number of villages which the Red troops had raided the number was placed at "approximately 300 which had been broken up by Red Army raids, causing such a set-back to the smuggling industry that the effect on business in Harbin was still noticeable long after the railway dispute had been settled."

This interview, despite the important omission of the name of the "American traveler" who was quoted, is most significant from several standpoints. In the first place it apparently is the first admission from the Soviet side that their military raids into Chinese territory were for a purpose other than the "repulsing of Chinese attacks" which was the reason officially announced from Moscow almost daily during the course of the conflict. Now the Russians admit the fact of the raids, but allege that it was for the purpose of breaking up "nests of smugglers." In making this statement the Soviet Russians are, as usual, only telling half the story. Without examining into the moral or legal phases of one country conducting armed raids into the territory of a neighboring state, it is probably correct to assume that the desire to break up smuggling constituted one reason for wholesale Soviet armed drives into Chinese territory along the 1,000-mile boundary that separates the two countries. But as stated, this doesn't tell the whole story, the facts of which go deeply into the conflicting political and economic systems which prevail on opposite sides of this frontier. As everyone familiar with conditions in Manchuria is aware, this Manchurian country in recent years has been filling up with settlers. In South Manchuria the settlers along the border have chiefly been Chinese and Koreans. In North Manchuria it has been Chinese and White Russians. Strictly speaking, "White-Russian" is not a good term because it denotes a political grouping opposed to the Soviet, whereas thousands of these Russians who have settled on the Chinese side of the line are simply Russian "emigrees" or persons of Russian blood, who, in the past dozen years have openly or secretly departed from Soviet territory to Chinese territory. The movement is still in progress despite everything the Soviet Government has been able to do to stop the migration. It is not necessary to go into the various reasons for this migration because the facts speak for themselves in the actual presence of tens of thousands of Russians who prefer residence on the Chinese side of the line, despite the fact that Siberia is a vast thinly-populated region abounding in natural resources.

Although Chinese jurisdiction in the outlying regions of Manchuria is weak and the interior sections are bandit-ridden, this has not prevented a tremendous influx of settlers to the border districts. Prosperous towns have been established along this extensive border from Korea to Outer Mongolia in the so-called Barga District. Undoubtedly it is more than an accident that all of the prosperous towns are on the Chinese side of the line, despite the fact that the Russian side of the line is potentially just as prosperous. But the Soviet-controlled area is unprosperous because the Soviet Government does everything possible to discourage private trading. Just now the Stalin faction at Moscow is doing its utmost to drive out the so-called "wealthy" peasants and villagers, the term *wealthy* being used to designate any peasant who owns a cow or horse or small piece of property. The result of this policy in Siberia has been to create a sort of "economic vacuum" in a territory which potentially is every bit as full of agricultural and mineral resources as is Canada of the North American continent. Since free and unrestricted trading prevails on the Chinese side of the line and rigorous commercial suppression exists on the Russian side, it has been most natural for the Russians to cross over to the Chinese side for their "shopping." This naturally has led to wholesale smuggling of prohibited articles into Siberia and also to wholesale smuggling of Russian peasants to the Chinese side. Since the boundary is too long to police, the Soviet Government took advantage of the recent crisis with China to conduct wholesale military raids accross the international frontier and as admitted in the interview referred to in the foregoing, some 300 Chinese towns and villages were destroyed. Naturally there is deep political significance in this move on the part of the rulers of Moscow since it constitutes an admission on their part that they cannot under ordinary peaceful conditions, control the activities of their own people and enforce their own communistic system so long as a different or "capitalistic" system exists on the opposite side of the boundary. Therefore, they take advantage of the crisis with China over the C. E. R. question and violate the territory of a neighboring state and destroy 300 towns and villages. Thus is the system of communism extended across the line into Chinese territory, for so long as the Russians have a superior military force on the border, it will be impossible for the Chinese to rebuild and repopulate their devastated towns. Americans at home who may have difficulty in understanding this situation might imagine a somewhat similar condition should the U. S. Government, owing to the difficulty in preventing the smuggling of liquor from Canada into U. S. Territory, decide upon a course of using armed forces for the purpose of raiding and destroying every Canadian town adjacent to the border. This is exactly what the Red Army did last summer and fall on the Manchurian frontier.

MINSEITO VICTORY AND CHINA POLICY

THE PRESENT government or Minseito Party has won a decisive victory in the recent Japanese national election, the final vote being Minseito 273, Seiyukai 174. Some nineteen other votes were scattered among the Proletarians, Independents, etc., the sensation of the election being the falling off in the Proletarian votes, due apparently to factionalism. A *Rengo* dispatch from Tokyo on Feb. 24 listed five important developments likely to follow the Minseito victory, one of which dealt with China policy as follows: "The Shidehara diplomatic policy which has displaced the die-hard policy of the Tanaka Government will serve to improve friendly relations between Japan and China. Japan's China policy will be carried out along peaceful lines." There is hope that this forecast will prove correct for China undoubtedly will respond to a friendly move from her island neighbor. Certainly it will be a relief from the so-called positive or "strong" policy which the Tanaka Government attempted to enforce and which failed so objectly. It was the Minseito Party which inaugurated the so-called "friendship" policy toward China following the Washington Conference which was successful in adjusting the Shantung and other troublesome outstanding questions. Largely as a result of developments in 1927 the Seiyukai got back in power partly as a result of the charge that Japanese interests in China were not being protected; hence the necessity for a "strong" policy. Then Baron Tanaka, a military man, took charge and shortly afterwards there was the Tsinan incident and wholesale Japanese intervention in Shantung province, followed by the usual anti-Japanese agitations and Chinese boycott of Japanese goods, and finally culminating in the murder of Marshal Chang Tso-lin at Mukden, which ultimately caused the downfall of Tanaka and the Seiyukai Party. The Minseito, however, didn't have a free hand because the two major parties were practically even in the Diet with the Proletarians holding the balance of power. Now that the Minseito has won a decisive victory, there is hope of an equally decisive Japanese policy toward China, meaning first, the settlement of the long deadlock over a new commercial treaty replacing the one which expired in 1926. Japan has cut a rather sorry figure in recent Far Eastern politics, the reason being that Japan has lagged back and permitted America and the European Powers to take the lead in adjusting their China problems. Japan refused to agree to tariff autonomy, but had to come in following American and British recognition of China's right to fix her own tariff. Japan lagged behind in the settlement of the Nanking and other incidents. Japan still is lagging behind on the Provisional Court and extraterritorial issues. Then there is the most important question of the South Manchuria Railway. Recently there have been unmistakable evidences that Japan has determined to remove that question from politics by making the South Manchuria Railway a purely commercial proposition by divesting the railway of all political, diplomatic and extraneous elements. If the present Japanese Government goes through with the present program, the Chinese shortly will forget about the South Manchuria Railway as a political issue, as they should. If the S. M. R. is converted into a strictly commercial railway, the Chinese should have no more cause for worrying about it than have the American people cause for worry about a few Canadian-owned railways which pass through United States territory. If the Minseito Party can settle these various issues on a just basis, the Japanese may again earn the goodwill of the Chinese and might, conceivably become, as Japan should be, a leader in the Far East.

THE "CLEVEREST" JAPANESE SELLING STUNT!

SINCE SHANGHAI is one of the chief battlegrounds for British and Japanese manufactured cotton and woolen goods, one frequently hears interesting stories of selling methods which would excite interest even in American trade circles where the latest selling and merchandising "stunts" are supposed to be the rule. This story had to do with the introduction of a new line of Japanese manufactured woolens into the Shanghai market, a market which has been monopolized by British firms for so many generations that Chinese dealers have been led to believe that England is the only country that manufactures such materials. Sometime ago the Japanese began the manufacture of various lines of woolens suitable for men's clothing. The material had all the appearance of British goods, but nobody would buy, "because the Japanese can't make such things." No amount of argument by Japanese salesmen, reduction of prices, or anything else could convince the Chinese dealers. They simply wouldn't buy and that was all there was to it! Then the Japanese tried a new stunt which was more successful. A large stock of the new material was brought into Shanghai by a non-Japanese importer and shortly afterward it was whispered about the city that if one would go to a certain address it was possible to obtain "suit-lengths" at ridiculously low prices. The "whispered-advertising" campaign was effective and buyers flocked into the place. When inquiry was made of the man in charge (we will call him Skivitsky) he explained that "this material was all made in England and Scotland and was shipped to a large dealer in Yokohama, who 'unfortunately' went bankrupt before the stock could be sold; hence we brought it to Shanghai and are liquidating at reduced prices, etc., etc." This sounded convincing and since the material appeared to be a bargain, customers made purchases and told their friends. There was a certain air of secrecy about the place that seemed to "intrigue" purchasers who in some way were led to believe that the supplies were limited, hence the further urge to spread the word among one's friends. But the supplies, apparently, were not limited for fresh stocks continued to appear on the shelves. Now it develops that the woolen materials really were manufactured in Japan and the foregoing method was used to introduce the stock. And the best part of the story is that the Japanese put over the deal by utilizing the services of a once well-known British firm that had "gone on the rocks" and hence was willing to cooperate with the Japanese in this unique but not altogether "legitimate" method of merchandising a new line of Japanese manufactured products.

PASSING OF THE COMPRADORE ORDER IN SHANGHAI

Residents of Shanghai—especially the older generation—have read with mixed feelings during the past month the news that the Compradore Order, one of the most poular of the remaining institutions of old Shanghai, has passed into history.

The abolition of the compradore order is the natural outgrowth of circumstances. It has outlived its usefulness by several years, in the words of one leading banker of this city, and in recent years has come to be badly abused. Hence the action of the Association of Shanghai Banks (composed of both foreign and Chinese banks) in outlawing forever this venerable institution. In the estimation of members of the association, by this action they have done themselves an eternal favor and have eliminated an infinite amount of superfluous work and trouble.

For the benefit of our readers who have not come in intimate contact with the compradore order system an explanation may be somewhat enlightening.

It originated in the dim, dark commercial age of Shanghai when Thibet Road was a muddy creek and the Race Course the wide open spaces—when Avenue Edward VII was the Yang King Pang and ferries ran across Soochow Creek to a native village where foreigners seldom went.

In substance it was a chit or order, signed by an employe and addressed to the compradore of a firm ordering him to make payment on a debt which the employe owned.

In other words it was a loan or cash advance made by the compradore to an employe of a firm, payment for the loan to be taken out of the employe's salary. Thus it logically followed that the lower salaried men were the best customers.

Various and sundry are the stories that have grown up—and improved with telling—around the compradore. Some are humorous and some tragic. One of the favorites is how at one time from 50 to 80 percent of the junior clerks of practically every hong in Shanghai were in debt so deeply that they were not able to square themselves with the compradore until they had either become senior officers in the firm or else sent home on long, long leave.

It may also be mentioned that the compradore order is probably responsible for more gay parties in this gay metropolis than any one other thing, barring possibly the chit system and the urge of young blood for a good night out.

The manner of collecting compradore orders is where the banks held the key to the situation and were able to wipe it out with one blow. When business houses took a compradore order it was sent to the bank with the firm's other deposits to be collected by the bank and the money collected placed to the firm's credit. Thus when the banks decided to refuse to make the collection the system received its death blow.

For the past several years as business grew the banks were flooded with such orders. An abuse of the system was the natural outcome. Many persons gave compradore orders with no intention of paying them in the immediate future —simply meaning that the order became an evasion of payment. Such orders would roll into the banks daily from the many business houses.

Then began the spirited game of collecting them. Explaining the situation, our banker-informant declared that the bank's shroff (collector) would go to the compradore's office of a firm on which an order was given. He would in many instances be informed that the compradore was out. This might happen day after day for a week or so. When the shroff finally landed the compradore he was just as likely as not to learn that the compradore had not sufficient funds. Thus it often took as long for the bank to make the collection on the compradore order as the bill had been outstanding—which in many cases was some time.

So it was that on the memorable day of February 4 when the banks again opened after the Chinese New Year, bankers heaved a sigh of relief to know that the days of the compradore order had passed, patted themselves on the back for their good work and started scratching their heads trying to think of some way by which the chit system could be abolished.

ELECTION OF MUNICIPAL COUNCILLORS IN SHANGHAI

THE ELECTION for members of the Shanghai Municipal Council will be held Monday and Tuesday, March 3 and 4. This refers to foreign Councillors, of whom there are a total of nine. The Chinese, who ever since the formation of the Settlement more than half a century ago, were without representation, until several years ago when, as a result of the numerous changes that were made following the May 30 incident, 1925, were accorded three members and who have in the meantime been granted two more members, are not participators in this election, the Chinese community making its own selection at another time.

During the past few years it has been the custom for the British to secure five members, the Americans two and the Japanese two. The British members of the present council are H. E. Arnhold, Brig.-Gen. E. B. MacNaghten, P. W. Massey, G. E. Sheppard and A. D. Bell—the first named being the chairman. They are all candidates again. Another candidate is E. J. Hughes, General Manager of the China United Assurance Society, Ltd., who has been a candidate previously, but has been unsuccessful. Mr. Hughes is a keen student of Municipal Affairs, and is what might be considered an "outsider," never receiving the votes of the stand-pat interests, who usually "plump" for the "old guard." The two other British candidates are N. S. Brown and N. Leslie. The two Japanese candidates are K. Fukushima and T. Saito.

The two American members of the Council last year were C. H. French and V. G. Lyman. Neither of those is a candidate this year. The new American candidates are: Miss Viola Smith, U. S. Trade Commissioner, J. W. Carney of the Standard Oil Company, the Rev. C. E. Patton of the American Presbyterian Mission and G. E. Tucker, an exchange broker.

Miss Smith is the first woman ever to have aspired to Municipal honors in Shanghai, although from the very beginning of its history, women have always voted and have been eligible for the

Council, provided they have had the necessary qualifications, and those qualifications are of a somewhat different character than usually attaches to the voting privilege in the United States. Shanghai is run as a "close" corporation, with only the "preferred" shareholders having a vote. In other words, the qualification for voting in Shanghai is based on property. If you are not a Chinese, provided you pay a rental of Tls. 50 per month or provided you own a piece of property that is valued at Tls. 500 you are entitled to vote, regardless of age, sex, nationality, color or previous condition of servitude. But probably only ten percent of the adult foreign residents of Shanghai can meet these qualifications and the result is that the Settlement is "run" by a small clique, whose principal qualification seems to be that they know exactly what they want and for many years had been getting away with it, to use a slang expression. But their path has not been so smooth in recent years.

One of the principal criticisms levelled against the management of Shanghai is the fact that so much is done in secret, although the *Municipal Gazette*, the official organ of the Council, does give a fairly good account of what is happening, although, it is to be noted, that this publication is only made after the event.

As a matter of fact, the plain truth is that the interest taken in Municipal affairs by the general public of Shanghai has been very small. Even the "insiders" have usually been content to let the select few "run the show" as they deemed best. Regardless of what has been done in the past, or what might be done in the future Shanghai is, at any rate, fast dropping out of foreign control and nothing could stop the tide of Chinese ascendency. But if any community ever deserved to lose its privileges ("rights" as many would like to consider them) it certainly has been Shanghai, for with every opportunity before it to take an intelligent and modern viewpoint it has chosen instead to let things drift. The average Shanghai resident could easily tell you who are the best golf, tennis, billiard, cricket and baseball players in Shanghai, but very few of them could name the members of the Municipal Council or much less give you any information as to their ideals and affiliations.

The nomination of fourteen candidates for nine seats on the Municipal Council naturally has stirred up a tremendous interest among both foreigners and Chinese due to complications which this causes in the putting through of a "slate" which always has been the practice. Aside from the Japanese community which always concentrates its votes on its two candidates and thus assures their election, the largest single block of voters in Shanghai is British, who therefore control the Settlement and direct the administration. For several years the Americans have been "given" two places on the Council, but the Americans themselves never have had any particular voice in the selection of their nominees. Just what has happened this year no one seems to know, but the Americans have put up four candidates, all but one (G. E. Tucker, the latest nomine) apparently having been nominated independently, that is without consultation with the "powers that be." It therefore is likely that pressure will be brought to bear to induce two of the American candidates to withdraw, due to the fear that the splitting of the American vote may result in all the Americans being defeated. In the opinion of *The Review* it would be a serious mistake for any of the Americans to withdraw, even at the prospect of a defeat of all the American candidates, which is unlikely. Owing to strong criticism which has developed in the British community regarding certain of the British candidates there is strong likelihood that many British voters would prefer voting for the Americans than for some of the candidates of their own nationality. The *China Press*, one of the local British newspapers was guilty of an amusing mistake in its announcement of the names and nationalities of the various candidates in its issue of Tuesday, Feb. 25, when it listed G. E. Tucker, one of the American candidates, as a "British subject."

The Regeneration of a World Power!*

UNDOUBTEDLY it would be unfair to other writers to say that Dr. Arthur N. Holcombe, professor of government at Harvard, has written the best book on the Chinese Revolution—unfair, because the writer of these paragraphs has not read all of the dozens of books which have been turned out by foreign and Chinese writers on this subject. But after a more or less cursory perusal of Dr. Holcombe's thoughtful and entertainingly written story of the Chinese Revolution, based on more than a year of personal investigation *on the spot*, one is led to the conclusion that a very hearty vote of thanks is due this Harvard professor for putting into some 400 pages an analysis of conditions in Eastern Asia that undoubtedly will have a considerable influence upon the relations of westerners toward the Far East for many years to come. Another notable book somewhat along similar lines was Dr. Paul Monroe's "China, a Nation in Evolution," (The Macmillan Company, 1928), previously reviewed in these columns. In the publisher's note, it is stated that Dr. Holcombe's investigation was undertaken under the auspices of the Bureau of International Research of Harvard University and Radcliffe College, for the purpose of estimating the influence of the Chinese Revolution upon the relations between the Powers in the Far East.

In order to conduct his investigation, Dr. Holcombe entered China from the "back-door" so to speak; that is, he traveled to the Far East *via* Suez and Singapore to Indo-China where he arrived in November, 1927. For several months

*. The Chinese Revolution: A Phase in the Regeneration of World Power—Arthur N. Holcombe. Professor of Government, Harvard University: Harvard University Press, Cambridge Massachusetts: Humphrey Milford, the Oxford Press, London. Dr. Holcombe, the author, after graduation from Harvard studied at Berlin, Munich, Paris and the London School of Economics and Political Science. He served on the Massachusetts Minimum Wage Commission and during the War was a special investigator of the U. S. Bureau of Efficiency. He has written numerous books on State Governments of the U. S., Foundations of the Modern Commonwealth and Political Parties of Today. His investigation of conditions in the Far East was financed by the Bureau of International Research of Harvard University and Radcliffe College. The book contains the 1930 copyright the "President and Fellows of Harvard College."

he traveled in Annam, Tongking, southern, central and northern China, Manchuria, Korea, Japan, and the Far Eastern region of Siberia. He returned home by way of Russia, stopping off for several weeks in Moscow where he investigated the China question from the Russian angle. It was the critical period of the Chinese Revolution, but despite the fact that most foreigners residing on the China coast considered it unsafe to travel in the interior, Dr. Holcombe visited thirteen Chinese provinces and spent considerable time in ten provincial capitals. In his preface, Dr. Holcombe stated that he met representative scholars, politicians, officials and military belonging to all the principal factions, as well as foreign diplomats, missionaries and business men.

In the prologue Dr. Holcombe describes China as he saw it, under the title, "Revolutionary China at Home;" starting out by saying that he happened to be in Kaifeng, the headquarters of the "Christian General" on Monday, March 12 1928 the anniversary of the death of Sun Yat-sen. He carried a traveling permit for which he had been required to pay twice the standard rate, "because I was a citizen of the 'imperialistic' United States." He traveled about in a ricsha which happened to fly the slogan, "Long Live the Revolutionary Spirit of Sun Yat-sen," and observed a town that resembled an American village that recently had passed through a "clean-up and paint-up week," due to the prevalence of freshly painted walls and shop-fronts bearing party slogans in the Nationalist colors.

It was in Kaifeng that Dr. Holcombe observed a Chinese conception of the Map of China painted on the wall of the ancient Sung palace, which, to use his words, "may make others than Chinese uneasy." The reason for this statement was due to the fact that a Chinese conception of the map of China is a quite different proposition from the ordinary foreign conception of the Chinese map. To quote his description, "A light line indicated the limits of China recognized by the Powers. A heavier line marked the boundaries of the China of the Chinese. On the east it included Formosa and the Liuchiu Islands, Korea, and the North Pacific Coast to a point well beyond the mouth of the Amur River. On the north it included the whole of the watershed of the Amur. On the west it ran deep into central Turkestan. On the south it included Tongking, Annam, Siam and Burma, nearly all indeed of what westerners call Indo-China, together with parts of the East Indies."

But how different from the dream was the reality! Far from holding sway throughout the extensive dominions shown on the map in the ancient Sung palace at Kaifeng, the Chinese were not even masters within the narrower limits of the occidental maps! Then Dr. Holcombe told of another map of China which he had observed on the wall of the Far Eastern Revolutionary Museum at Moscow. Outer Mongolia was splashed with red like any soviet republic within the orbit of the Soviet Union. In Sinkiang, China's so-called New-Dominion in the heart of Asia, a Chinese governor maintained an uneasy sway with one eye perhaps cocked upon the feeble government in distant Peking, but with the other peering anxiously over the border into the adjacent socialist soviet republics of the Kazaks and Kirghiz, the Uzbeks and Tajiks, Mohammedans all, like his own subjects, and captivated by the statecraft of Moscow.

This gives a slight indication of the broad scope of Dr. Holcombe's "investigation"—a badly abused word in the Far East where almost every traveler one meets is *investigating* something. But this Harvard professor of government really investigated and saw more deeply into political and economic tendencies than is the practice of most foreign observers who visit this part of the world. He analyzes the Nationalist movement and Dr. Sun Yat-sen, both from the standpoint of their friends and their enemies. He repeats a conversation with old Marshal Tuan Chi-jui, at Tientsin wherein the ex-Anfu leader declared that Dr. Sun's object in making the fateful trip to Peking was for the purpose of "getting a job." He describes Marshal Feng Yu-hsiang as "no ordinary militarist, a convert to Christianity who strengthened himself in his new faith by marrying a secretary of the Y. W. C. A." Follows a description of how Feng "fell from grace" and taught his army a new song which had the same tune of the Christian doxology, but the words were quite different. He quotes them. Gen. Chiang Kai-shek is described as the "youngest of the outstanding military leaders who was a follower of Sun Yat-sen before the revolution of 1911 and who remained faithful to him throughout the succeeding years. There is an entire chapter devoted to an analysis of the alliance between Canton and Moscow and the reasons for Chiang Kai-shek's break with the Bolshevist leaders.

In reference to the alliance between Canton and the Russians, the author explains how Dr. Sun had hoped for many years that America would give the Chinese Revolution its Lafayette and that after the close of the World War he had looked toward the German Republic. However, he was disappointed and "when his fortunes seemed at their lowest ebb, Russia was showing a sympathetic interest in his revolutionary aims. Dr. Sun saw at last a fair prospect of obtaining the aid he needed to regenerate China and the Soviet leaders saw a chance to strike a shrewd blow at the imperialist Powers.....Each party stood to gain at the outset by utilizing the aid of the other, and each might hope that in the end the cost of that aid would not be too high. Indeed each doubtless expected to convert the other to his own way of thinking. Neither was deceiving the other. Neither was intentionally deceiving itself. Both parties knew what they were likely to get, at least for a time. Both were willing to play with fire, since both expected to be warmed, but not consumed by the conflagration." Then follows a detailed description telling how Borodin finally succeeded in getting the small, but well organized Chinese Communist Party incorporated into the Kuomintang, which really was the foundation for the succeeding trouble and the ultimate cause of the break with Moscow and the ousting of Borodin and his associates from the "Chinese Soviet Republic."

Probably the most significant chapters of the book deal with the subject indicated in the sub-

title which treats the Chinese Revolution as a "phase in the Regeneration of a World Power." He proves from a close study of early Chinese history in the time of the Mings that China had truly been a "world power" and traces the reasons for its fall down through the Manchus and the early contacts with the West, the occupation of Peking by the British and French, the Taipings, the Boxer Rebellion and the First Revolution in 1911. What is happening in China today can only be understood in the light of a knowledge of the past and in this connection Dr. Holcombe's book is of exceeding value because he makes clear certain movements today which he believes to be a striving for a genuine Chinese governmental administration based on age-old Chinese principles which never have been uprooted. He also gives a true insight into the thoughts and teachings of Dr. Sun Yat-sen which are quite at varience with the ridicule which has been heaped upon his teachings by the British newspapers on the China coast. For example the *North-China Daily News*, official British newspaper in Shanghai recently made the flat statement that the revolutionary movements in China in 1926 and 1927 "were made entirely in Russia" or words to that effect. We recommend that the writer of that editorial read Dr. Holcombe's chapter on the "Three Principles of the People," wherein he warns against the error of permitting the book's imperfections to blind them to its real significance. "It would be a mistake to conclude, as one important critic of the book has suggested, that its imperfections may be ascribed to the baneful influence of the Communists. The political principles advocated in Sun Yat-sen's *San Min Chu I* and the constructive proposals embodied in his Five-Power Constitution, were fully matured in his mind long before he had any contact with Russian Communists. Sun Yat-sen's revolutionary politics was his own creation, if a new combination of old ideas can ever be said to be the creation of any man."

Space is too limited for further detailed examination, save to mention chapter headings such as the "Kuomintang Dictatorship," "The New Militarism," "The Period of Political Tutelage," "Outlook for the Five-Power Constitution," "The Future of the Revolution," and finally an epilogue wherein the author discusses "Revolutionary China Among the Nations." Herein the suggestion is made that the recent adoption of the Kellogg Pact on the part of the Powers may be of very great assistance in bringing about a better understanding between the West and China due to the fact that the spirit embodied in the Kellogg Pact accords generally with China's ancient traditions of peaceful settlement of disputes.

There is an amusing reference to two recent books dealing with the revolution which have been popular among foreigners on the China coast, Rodney Gilbert's *What's Wrong With China*, and the Frenchman, Dr. Legendre's *La Civilization Chinoise moderne*. In reference to Dr. Legendre's book wherein the French author declares that the Chinese, being an admixture of Aryans and Negroids, are therefore, because of this racial combination incapable of organizing a modern state and governing themselves—"hence it should be the duty of the white race to establish law and order in China and to undertake all public services as it had already undertaken to collect the customs and operate the post office." Dr. Holcombe then asks the question, "Why does he confine the task of governing the Chinese exclusively to the white race? There are China's neighbors, the Japanese who surely have demonstrated their ability to stand alone under the strenuous conditions of the modern world. Evidently, on Dr. Legendre's principles the Japanese cannot be a mixture of Aryans and Negroids. Why should not they also have a share in the white man's burden? Indeed, why should they not undertake the task alone, as the Manchus and Mongols have done before them? Doubtless the Manchus and Mongols are disqualified from repeating their performance by their ignorance of the white man's ways, but the Japanese do not labor under any such disqualification. Dr. Legendre's conclusions do not follow from his own premises."

As for Rodney Gilbert's book, of which the Hon. Silas Strawn is said to have purchased a hundred copies for mailing to his friends in America, Dr. Holcombe is no more sympathetic than he was toward the book by the French writer. Gilbert argued that the "Chinese mind is the mind of a child.....If China's ills are to be laid at our door, as her propagandists say, it is because we have failed to realize that we are dealing with children, because we have treated the individual Chinese as an adult and the nation as a grown-up." Mr. Gilbert however, is not so general as Dr. Legendre who selected the "white race" as China's schoolmaster. Mr. Gilbert would limit China's future controllers to a particular part of the white race, the "Nordics," thus leaving out of consideration the Japanese, the Russians, the Italians and a considerable portion of present-day Americans. Dr. Holcombe states that if we could believe this "juvenile character" of the Chinese it would greatly simplify the problem of China, but long residence in China has proved to observers no less competent than Mr. Gilbert that the Chinese create a directly contrary impression. He quotes to this effect Charles W. Campbell, formerly Chinese Secretary of the British Legation in Peking (British Foreign Office Handbooks, London, 1920, vol. XII, No. 67, p. 132) who declared in an official document prepared for the use of the British Delegation at the Versailles Conference, that "The Chinese are a sober, industrious race, highly endowed with judgment, good sense and tenacity....Though comprising many types, they are markedly homogeneous, owing to centuries of uniform mental cultivation. The ideals of their intellectual life are not inferior to those of the Western World; and their religion—ancestor worship—tends to bind society together. They are amenable to intercourse; moderation is a virtue with them; and they are accustomed to conduct their own private and local affairs with tact and consideration. By education and temperament they are markedly pacific.....The Chinese possess qualities and attributes which entitle a people to an independent existence and if they are not rapidly inoculated with militarism there is no inherent reason why other nations should fear them or exercise a preventive domination....The Chinese have always demanded moral qualities in their leaders; and it is reasonably

certain that if left to themselves, they would in a short time show their customary good sense by placing suitable men of their own race in power.

In a concluding reference to the arguments pertaining to the "juvenile character" of the Chinese as set forth in the books of Gilbert and Dr. Legendre, both of whom argue that the Chinese should be permanently kept in subjection by the white race or a certain section of the white race, Dr. Holcombe asks this pertinent question,

"One may well inquire what is the basis of a so-called science of ethnology which makes political capacity a function of race, and condemns all but the chosen race to perpetual servitude. What indeed is a race?"

J. B. P.

Will the War of Words Become a War of Bullets?

WHILE THERE was some minor fighting in Shantung on Feb. 21 in connection with the disarming of certain military forces considered disloyal to the Government, there had been no definite outbreaks between large bodies of troops, up to Thursday, Feb. 27. A *Reuter* report from Peiping on Feb. 24 stated that forty wounded troops had arrived at Tsinan, apparently being casualties in fighting between troops belonging to Gen. Kao Kuei-tse and those of the Central Government. What apparently had happened was that small forces of troops loyal either to the Kuominchun of Gen. Yen Hsi-shan stationed in Shantung were attempting to move westward into Honan for the purpose of joining up with their principals.

Gen. Chen Tiao-yuan, chairman of the Shantung provincial government, according to a report circulated by the *Kuo Min* news agency on Feb. 26, had held a conference in Tsinan which was represented by some fifty Party and Governmental organs. He stated that while one division under Gen. Feng Peng-shu, belonging to the Shansi group, was stationed in Tsaochow, in southwestern Shantung, he felt confident in the ability of the government to cope with the present situation. He stated that Shantung provincial troops considered loyal to the Government had been dispatched to the vicinity of Yochow and declared that while the military strength in Shantung "might not be sufficient alone to protect the entire border, that Shantung had pledged its support to the Government and were ready to engage the counter-revolutionaries."

If Fighting Develops?

Reports circulated by the Japanese *Rengo* news agency have indicated that in the event of fighting, the first actual outbreak is likely to be in Honan where Gen. Lu Chung-lin of the Kuominchun will attempt a drive on the Wu-Han area. Gen. Lu was stated to have five divisions of troops ready for an invasion of Hupeh province. In order to meet this situation, a *Kuo Min* (official) report on Feb. 26 stated that the headquarters of the Fifth Route Army had been restored under the direct command of Gen. Ho Chen-chun and that these troops are stationed along the southern section of the Peiping-Hankow Railway. Western Hupeh, including the Han River area, is under the control of Gen. Kup Ju-tung, while eastern Hupeh is under the control of Gen. Hsia Tou-yin, commander of the 13th Division. A report in the *Kiangnan Evening News* (Shanghai) generally thought to be unfavorable to the Government, stated on Feb. 26 the "main battle" between Nanking and Shansi would be fought between Tsaochow and Tsinan on the north banks of the Yellow River. It was stated further that while the Nationalist forces are better supplied with ammunition that the Shansi forces occupied a better geographical position along the Tientsin-Pukow and Lung-Hai railways. The report stated that Yen had ordered the 42nd division of the Shansi troops under Gen. Fang Pang-chu to advance on Shantung province. As to the situation on the Lung-Hai railway in the vicinity of Hsuchowfu in northern Kiangsu it was stated that Gen. Liu Chih, commander of the Government forces had dug trenches at Tangshan and that airplanes and armored trains were being used for scouting purposes. Shih Yu-shan, an ally of Yen Hsi-shan still has his headquarters at Kweiteh in eastern Honan with his vanguard at Mamuchih. A report by the *Kuo Wen* (independent) news agency on Feb. 24 from Hsuchowfu, stated that while there were rumors of skirmishing between the troops of Liu Chih and Shih Yu-shan, that these were not correct and the situation was quiet in Hsuchow and trains were being operated on the eastern end of the Lung-Hai line. This report alleged that Gen. Shih Yu-shan "had no intentions of launching an attack on the Government forces."

Attitude of Chang Hsueh-liang

The attitude of Gen. Chang Hsueh-liang, head of the Manchurian Government, apparently has become a vital element in the present situation, since Gen. Yen Hsi-shan apparently had been counting on Gen. Chang's support against the Central Authorities. A report in the *Sin Wan Pao* on Feb. 26 alleged that Gen. Chang had withdrawn his representative, Kao Kwan-ting, from Taiyuanfu as a gesture of disapproval of Gen. Yen's attitude. Another report on this subject appearing in the *Kiangnan Evening News* on Feb. 25 stated that Gen. Chiang Kai-shek "had offered Gen. Chang Hsueh-liang the position of vice-generalissimo of the National forces after Yen Hsi-shan had formally been dismissed from office, which action probably would take place following the meeting of the Central Executive Committee on March 1 in Nanking. A further report from Nanking by the *Kuo Min* news agency on Feb. 25 stated that Gen. Chang Hsueh-liang in his capacity as chairman of the Northeastern Political Affairs Committee" had definitely refused to attach his signature to a circular telegram drafted by Gen. Yen Hsi-shan and also containing the signatures of some thirty or forty other generals and politicians opposed to the Nanking Government.

Japanese Political Reports

Reports by the Japanese *Rengo* service from Peiping, Taiyuanfu and other northern points during the week chiefly were responsible for uneasiness regarding the situation in the north. One report on Feb. 2 stated that Gen. Chang Hsueh-liang had sent telegrams to both Yen and Chiang urging the necessity of preserving the peace and indicating that Mukden would preserve a neutral attitude. Also it was stated that Gen. Chen Tiao-yuan in Shantung would follow a similar course. Another report by the same news agency stated that Yen had sent representatives to the Japanese, British, American, French and other legations in Peiping stating that Yen would extend full protection to foreign lives and property. Yen also informed the Legations that the Third Plenary Kuomintang Conference scheduled to be held in Nanking on March 1, would not be a "pure conference and that the Shansi faction was ready to take up arms against Gen. Chiang Kai-shek in the event he did not resign from his present position. Still another *Rengo* report from Peiping on Feb. 25 stated more than forty generals and politicians of various factions had signed a circular telegram addressed to Kuomintang leaders in various parts of the country calling for a meeting in Peiping to take action against the Central Government. A further report stated that Yen shortly was going to Peiping in order to personally convene and supervise the "Fourth Executive and Control Committee" meeting in that city. Yen's telegram is said to have stated that this conference would include all political elements "except the communists." Another *Rengo* report on Feb. 26 stated that Yen's tactics "was to take advantage of the wide-spread discontent among politicians

in various parts of the country," in order "to steal a march on Nanking." This report added the editorial comment that "an important change in the outlook of the country's politics would result from the bombshell to be hurled by the anti-Nanking politicians."

The "Battle of Words"

While the news reports from Nanking had contained full reports of various telegrams circulated by Gen. Chiang Kai-shek and other heads of the Government in reply to telegrams from Yen Hsi-shan attacking the Government, very little has appeared in the Shanghai newspapers pertaining to the actual text of Yen's telegrams. The newspapers in North China, however, have contained the texts of Yen's broadsides. One such report on Feb. 20 which appeared in the *North China Star* at Tientsin, quoted Yen as declaring to Chiang, "If you are out to punish me for offending you by my advice, there is no need to resort to armed force: all that is necessary for you to do is issue a mandate of my dismissal and I will resign." This telegram then went on to say that reports from Nanking had reported that Gen. Chiang "was furious" at Yen's telegrams, but in spite of this "the reason why I dare to risk your displeasure on the present occasion is because my mind has been occupied night and day with thoughts of the welfare of the party and nation as well as those of you and my revolutionary status." However, despite Yen's allegedly peaceful attitude, a *Reuter* report from Peiping, also appearing in the *Star* stated that Yen had placed his troops in the vicinity of Chengchow, Honan, commanded by Gen. Sun Chu, a trusted Shansi commander, under the command of Gen. Han Fu-chu, who with Gen. Shih Yu-shan "had put Kaifeng and Kweiteh in a state of defense against possible attack by the governmental forces." The following northern generals were said to have placed their forces under the general command of Gen. Han Fu-chu: Shih Yu-shan, Tsao Fu-ling, Sun Tung-hsuan, Liu Chun-yung, Wei Yi-shan, Wan Hsuan-tsai, Sun Ting-ying, Liu Chen-hua, Wang Chin-yu, all of whom are in Honan province. This report stated that Kuominchun forces under Sun Liang-chen were moving eastward from Tungkwan.

Doubt regarding the unity of the northerners, however, was indicated in a *Kuo Min* (official) dispatch from Nanking on Feb. 26 which stated that the Northwestern (Kuominchun) forces had demanded that Gen. Yen send them immediately the sum of $2,000,000, plus a large quantity of ammunition, before they would participate in the fight. The report stated further that the serious financial situation in Shansi province, due to depreciation of banknotes, plus war rumors, was making it difficult for Yen to finance his proposed campaign. It also appears that Nanking has assisted considerably in Yen's financial predicament by refusing to authorize the issuance of a $25,000,000 Shansi provincial loan, which previously had been authorized, but not issued. Furthermore it was stated that a split had occurred among the Shansi provincial officials over the question of Yen's attitude. This report concluded with the allegation that Gen. Yen's "intentions of cooperating with the so-called Reorganizationists, the 'Western Hills' faction and other discontented politicians, would make Yen the laughing stock of the country."

Wu Chi-hui, a veteran member of the Central Supervisory Committee of the National Government, in an interview circulated by the *Kuo Min* news agency, "deplored the fact that Gen. Yen had been completely misled by the Communists and quasi-Communists." Wu Chi-hui, according to the report, had sent a telegram to Chao Tai-wen, head of the Control Yuan, who is now in Taiyuanfu, urging him to "prevail upon Yen to turn back from his perilous course and also urged Chao Tai-wen to return to the capital so as to prevent the country from being plunged again into another suicidal civil war.

The Southern Situation

Conflicting reports regarding the military situation in South China were received during the past week. Dispatches emanating from Nanking on Febrary 23 and 24 announce the total collapse of the Ironsides and remnant rebel bands in Kwangsi before the onslaught of the Government forces with thousands of rebels being captured or killed by the superior land, air and river units of the Government armies.

On the other hand an informant of the *North-China Daily News*, official British paper in Shanghai, declared that "contrary to propaganda which is being spread by the Kwangtung Provincial Government of victories over the Kwangsi forces and Gen. Chang Fa-kwei's 4th Division Ironsides, the latter are as strong as ever and they are a constant menace to the peace of Canton."

The *North-China* informant charges that in Canton there is a strict censorship of the press and no information is available except official telegrams and from the press in Hongkong, which is free from censorship but is not allowed in Canton. "However," the report goes on to say, "the censorship has been responsible for the preservation of order in Canton, since the people are unaware of the real facts."

This report continues that the Ironsides and Kwangsi rebels retreated in accordance with their own plans and their losses were slight as compared to the loyalists. "It is ridiculous to put Gen. Chu Shao-liang's 6th Route Armies, better equipped though they are, against such hardy and experienced fighters as the Ironsides," the informant continues.

No fewer than two regiments were disarmed and another regiment wiped out on the Government side, the report states, while at the same time the 8th Route Army under Gen. Chen Chi-tang was rushed to the scene and lost nearly a ba lion while the Ironsides carried out their retreat in a scientific manner without losing many men. The Ironsides then firmly entrenched themselves in Paklow, in southeastern Kwangsi near the Kwangtung border. There they are content for the present to maintain their position without bothering much about the Cantonese air raids.

The report further stated that the rebels are waiting for a definite move on the part of Yen Hsi-shan after which a concrete move will be made against Kwangtung.

The Government forces are said to approximate 150,000 men while the strength of the rebels is placed at 55,020. The latter are said to be undergoing strict training and are being reinforced constantly.

A *Kuo Min* news agency report from Wuchow on February 23 announces that severe fighting took place on the previous day between the Government forces and the rebels in southern Kwangsi. It declares that the Kwangtung divisions and Cantonese bombing planes proved too much for the rebels and the latter retreated along the upper reaches of the Ta Ho. The battle resulted in the capture of 8,000 rebels together with 7,000 rifles and 50 field guns, the dispatch says. It placed the number of rebels at large in the region at 5,000.

A *Kuo Min* dispatch from Canton on February 24 announced the total collapse of the rebels and the return to Wuchow of the Kwangtung division under Gen. Tsai Ting-kai en route to the region along the Fu Ho for garrison duties. It declares that some of the scattered insurgents, after crossing the river, made for Tantung, Litang and Pinyang with the Government forces in pursuit.

The report goes on to say that the 8th Route Army is now in control of the situation in southern Kwangtung where, for the past two months, small bands of bandits have been harassing the countryside. It is also said that several gunboats of the Canton Naval Squadron are cruising along the southern coast to prevent piracies.

Wang Ching-wei's Proclamation

Wang Ching-wei, leader of the Left Wing faction in the Kuomintang, whose whereabouts have long been a mystery, caused the circulation in Shanghai last week of a proclamation denouncing Gen. Chiang Kai-shek and the Central Government, for their alleged connection with the assassination of Wang Loh-ping, an old Kuomintang member, who was murdered in the Shanghai French Concession together with three other occupants of the house by unknown assassins. Wang's statement declared that the assissination "unmistakably pointed to the political nature of the crime. Wang Loh-ping was the responsible head of our Shanghai headquarters and his murder is a direct blow at the opposition." The report then reviewed other political assasinations since Yuan Shih-kai and declared such tactics "strike at the roots of civilized society and are abhorrent to every concept of law and order. The proclamation also referred to the alleged kidnapping of Chu Cheng, another old Kuomintang member two months ago and declared that the Chinese people cannot and will not

(*Continued on page 38*)

Far East Looms Large in World Problems of 1930

BY HENRY KITTREDGE NORTON

(The New York Times, Dec. 29, 1930.)

As the world enters the new year it finds itself confronted by a large number of international issues, problems and questions, to keep it busily occupied during the allotted fifty-two weeks. The gravity of these affairs, the potentialities of ill they involve, the increased burdens that widespread sections of humanity will have to bear if they are not satisfactorily resolved, deepen the responsibilities of the statesmen who have them in charge and give them the opportunity to make 1930 a year of splendid achievement and to write their own names prominently upon the scroll of fame.

Of these issues, the one upon which the greatest is focused is naval disarmament. The conference meeting in London on Jan. 21 will bring together the representatives of five of the world's greatest powers. They will seek some method of relieving their peoples not only of the enormous financial burden of naval armament but of the eternal threat to their peace and happiness, and even to their lives, entailed in unrestrained competitive naval construction. There may be influences which for selfish reasons will try to make the task more difficult, but in itself it is infinitely complicated. It will require the highest type of statesmanship to arrive at that nice balance which will be satisfactory to all concerned. Yet the necessity of finding that balance is so overwhelming that success is imperative.

The need of a final settlement of the problem of German reparations is equally pressing. Not until this has ceased to trouble their minds can the peoples of France and Germany, to say nothing of their neighbors, sit down together in peace. The outcome of the first Hague conference gives promise of a generally acceptable decision at the second, which convenes next month.

Scattered World Problems

Besides these two major issues—disarmament and reparations—there are many other problems that call for solution. These are scattered over the world from Manchuria to Haiti. They include such important matters as Indian self-rule, Chinese extraterritoriality, Philippine independence, the evacuation of the Rhineland, the recognition of Soviet Russia and American membership in the World Court.

It is with high hopes for a satisfactory disposition of at least the majority of these issues, great and small, that the world enters 1930. It relies upon its leaders to measure up to their opportunities and to take humanity a long step forward. The task requires patience, fortitude and endless labor. But at the goal lies that public gratitude which is the statesman's most highly coveted reward. Few years in history have at their outset offered him a greater chance to win it than the year which is just ahead of us.

Right on the threshold are two matters which, if not of major interest, can hardly be called of minor concern. These are the status of India and Chinese extraterritoriality.

Challenge by India.

In India Jan. 1 is set as a date of challenge from the Orient to the Occident. The Indian National Congress in 1927 appointed a commission to reconcile the various Indian parties and draft an Indian constitution. The amended draft was ratified by a conference of the parties in March of this year. This constitution is designed to serve for India either as a dominion of the British Empire or as an independent country.

It is for the British Government to choose whether India shall be one or the other. India's ultimatum to Great Britain—in so far as "India" is represented by Gandhi and the National Congress—demands a decision before Jan. 1. As the Labor Government has made no plans to comply with the demand for dominion status before the expiration of the present year, it is expected to take such measures as are necessary to maintain British rule in the peninsula.

In China, too, Jan. 1 is a crucial date. The Nanking Government has stated on several occasions that extraterritoriality would be abolished on the first of the year. Extraterritoriality is the right of foreign nationals in China to be governed by their own laws and their own officials instead of Chinese laws and Chinese officials. This right was given to British and American nationals under treaties made in 1843 and 1844.

Most of the other countries doing business with China afterward obtained similar privileges. With the turn of the century, however, China began to insist upon her own right to jurisdiction over all persons within her territory. In 1902 and 1903 the United States, Great Britain and Japan agreed to relinquish their extraterritorial rights when the development of the modern law and courts in China "and other considerations" made it desirable.

When China entered the World War the Allies pursuaded her to withdraw extraterritorial rights from the Germans and Austrians. At the peace conference China made a strong plea for the relinquishment of extraterritoriality by her allies, but without success. The effort was renewed at the Washington conference, where a commission of investigation was promised by the powers. This commission did not meet until 1926. It found that China had not yet complied with the required conditions. Meantime there had been a striking development of Chinese nationalist sentiment and extraterritoriality has been resolutely denied in the new treaties with the Central powers and the Succession States. Negotiations with a dozen other countries have been successful to the extent of getting those countries to give up extraterritorial rights when the principal powers concerned agree to do so.

These powers are the Uuited States, Great Britain, France and Japan, all of whom have so far refused to yield the extraterritorial rights of their nationals, although the United States, at least, has agreed to enter into negotiations for the gradual abolition of the privilege.

If the Chinese Government carries out its avowed purpose to denounce the treaties on Jan. 1, the powers may, of course, ignore the matter. But if Nanking, either out of its strength or its weakness in the face of domestic opponents, takes any action in violation of the treaties, the powers will have to protect their nationals or abandon them to whatever fate may await them. Neither course is likely to lead to peace and quiet in the Far East.

Philippine Demands

An issue of a character somewhat similar to that in India but not set so definitely as to date is that of Philippine independence. Under Mr. Stimson as Governor General the Filipino politicians seemed to have lost enthusiasm in their demand for "complete and immediate independence." They have contented themselves with the mere formal reiteration of the old plea. But the sugar growers and the dairy interests of the United States have discovered that Filipino competition is a thing to be inveighed against.

Their first suggestion was to put either a duty or a quantitative limitation on imports from the islands. This provoked the criticism that such a move would be unfair and that to legislate adversely to the interests of the islands and to our own profit might well be considered a breach of trust. This criticism was met by the proposal to grant the island independence. It is quite within the possibilities that a coalition of the Republican supporters of this proposal and the Democrats who traditionally support Philippine independence may pass a bill to this end.

Before we come to that issue, however, we meet another problem of major importance in the second Hague conference on the Young plan. After protracted argument at Paris the experts of all the nations concerned agreed upon the Young plan as the bestmeans of settling the vexed question of German reparations. The first Hague conference of the political representatives of the powers concerned was summoned to give it government approval.

This conference developed a bitter debate between Mr. Snowden, the Labor Chancellor of the Exchequer, and M. Cheron, the French Minister of Finance. Through the conciliatory efforts of M. Briand, Herr Stresemann and M. Jaspar of Belgium, Mr. Snowden was at last appeased and a new committee of experts was appointed to work out the details of the International Bank plan. Nevertheless the attitude of the Labor Government toward France seemed to mark the definite end of the Anglo-French entente and, coupled with Mr. MacDonald's trip to Washington immediately afterward, appeared to indicate a new alignment of British policy on an Anglo-American basis.

Such a change was anything but welcome in France. It resulted in a shift toward the Right in the French Ministry, with M. Tardieu as Premier instead of M. Briand, although the latter remains in the Cabinet as Foreign Minister. This is probably symptomatic of a stiffer French policy toward England, toward Germany and toward Italy, and may well have its repercussions at the second Hague conference in the matter of Rhineland evacuation and at London on the question of disarmament.

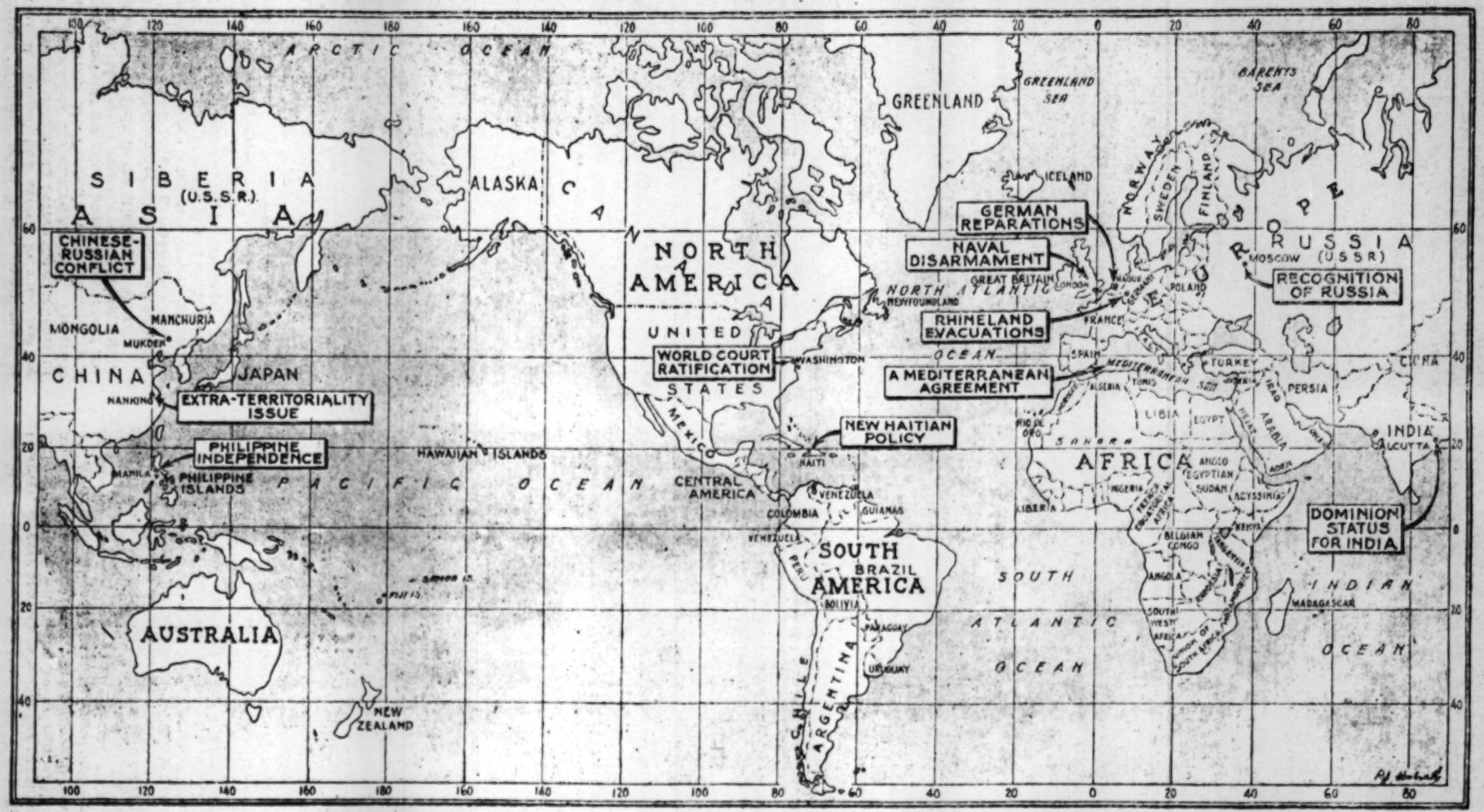
International Bank

The second Hague conference meets to consider the International Bank plan drafted by the experts at Baden-Baden and to put the Young plan into operation. Probably, as in the first meeting, the sheer necessity on all sides for a final settlement of the reparations problem will force the discordant elements together. But there is likely to be bitter debate before a conclusion is reached.

The Young plan, like every other move based on the idea that Germany lost the war, has met with the determined opposition of the German Nationalists.

France, too, has had its flare-up of nationalism in anticipation of this meeting. One of the principal points

FAR EAST LOOMS LARGE IN INTERNATIONAL PROBLEMS OF 1930



OUTSTANDING ISSUES THAT WILL CONFRONT THE WORLD DUPING THE COMING YEAR.

against the Briand Ministry when it was overthrown in October was that M. Briand had agreed to withdraw the French troops from the Rhineland before the completion of the new French forts along the eastern frontier. The critic was M. Maginot. When M. Tardieu's new Ministry was announced it was found that the chief change in personnel was the substituion of M. Maginot, a member of the Right, for M. Painleve, a member of the Left, in the Ministry of War.

This would indicate that the more aggressive elements on both sides of the Rhine will be able to make their influence felt at the coming conference. They may cancel each other out in the end, but they are hardly likely to add to the courtesy of the debate or to the smoothness of the proceedings.

Despite the significance of these various potential preliminaries, the issue which overshadows all others in the public mind at the opening of the new year is that of naval limitation. So much attention has been devoted to this question since President Coolidge invited the powers to Geneva in 1927 that its background, at least as far as the United States is concerned, is fairly familiar. But London will welcome on Jan. 21 delegates from each of the five great naval powers, every one of which has its own background and its own aims and purposes.

For America the chief issue is naval parity with Great Britain and something approaching the present 5-5 ratio in regard to Japan. With France and Italy and the size of their navies America has little concern; excessive demands on their part may increase the British naval requirements and thus place the British Navy beyond the reach of parity with us unless we add numerous war vessels to those already built or authorized. America wants parity with Great Britain; she wants it on the basis of naval reduction all round if that is possible, but in any case she wants parity.

Preliminary Agreements

Great Britain has officially conceded our claim to parity To this concession she is impelled first by the desire to avoid a costly and dangerous race in naval armament, and second by the conviction that in the present economic condition of the two countries the United States would certainly be the victor in such a race. The Labor Government, through Mr. MacDonald's conversations with Mr. Hoover, has practically agreed with the Washington authorities on a mutually satisfactory apportionment of strength throughout the two fleets.

If this were all there were to the question, a solution would be fairly easy. But the sea power of Great Britain touches that of the Continental powers in two vital areas. In the first place, the British Isles are particularly vulnerable to submarine attack from the French coast. During the great war German submarines, operating from more distant bases, brought England to the verge of starvation. Larger and more powerful submarines, operating from bases closer at hand and supported by French airplanes, constitute a menace which England cannot well disregard. Unless France relinquishes her insistence upon an unlimited submarine fleet, Great Britain must retain far more cruisers than is contemplated in the Anglo-American disarmament understanding.

Mediterranean Interests

The Mediterranean is another area of uncertainty. Here the principal issue is the Italian demand for parity with France, paralleling the American demand for parity with England. France, however, does not take as kindly to Italian parity as Britain has to America. She is apparently willing to concede parity as to Mediterranean fleets, but insists that the necessity of guarding her Atlantic and Channel coasts and the sea lanes to her distant colonial empire demands a much larger naval establishment than Italy requires. Italy fears that this non-Mediterranean flotilla might be used to secure superiority in the Mediterranean.

Two solutions have been suggested, though neither is assured. One is that Italy should be granted nominal parity, with the understanding that she would not build her allotted tonnage. The other is that Great Britain should join in a "Mediterranean Locarno," guaranteeing that the French non-Mediterranean naval forces shall not enter the Mediterranean except in the case of aggression by Italy. Great Britain would hardly care to undertake such an obligation unless she was assured of the power to keep open the Gibraltar-Suez route even against a combined French and Italian fleet. Here, again, Italian and French demands may raise the British requirements to a figure far above the Hoover-MacDonald understanding.

Japan in her turn asks for the reduction of all naval armaments but demands a 70 per cent ratio in 10,000-ton cruisers as compared with the United States and Great Britain. As the Hoover-MacDonald understanding provides for a larger number of these cruisers in the American navy than in the British, this Japanese demand presents a somewhat difficult technical problem in that 70 per cent of the American tonnage would give Japan close to parity with Great Britain. Japan, however, is very anxious to reduce her naval budget, and it is expected that she will make every reasonable concession to bring the London conference to a successful conclusion.

Any consideration of American naval problems leads sooner or later to the Caribbean. The recent riots in Haiti make probable the appointment of a commission during the coming year to study our relations with that diminutive republic. As a result, the Hoover Administration will be faced with the same baffling problem for which every administration since the days of Roosevelt has had to devise some kind of solution. The preblem is to retain in an area which is vital to us strategically that degree of control which will protect our interests, without too much interference with the internal life of small and immature republics—which, on occasion, show a disconcerting inability to preserve order in their own affairs.

So far every administration, Republican or Democratic, has for weal or woe solved the problem by using the military power of the United States as the final arbiter. This arouses criticism not only among all the other States of Latin America but among our own people as well; and 1930 would be a year of grace indeed if it marked the discovery of some more satisfactory method which would protect the interests of all concerned.

Perennial Far East Questions

The one real war scare of 1929—the Russo-Chinese conflict in Manchuria—is reported to have ended in a negotiated settlement of the differences between the two countries over the Chinese Eastern Railway. But Manchuria, like the Balkans, is an area of unlimited possibilities for inciting international strife. The latest rumors indicate that it is not to remain quiescent during 1930.

The western section of Manchuria, between the Siberian border and the Khingan Mountains, is known as the Barga district. Its capital is Hailar, and it is populated to a large extent by Mongols under their clan chieftains or "princes." Disquieting rumors are abroad that Russia, before withdrawing her troops from this district, hitherto considered Chinese territory, is organizing the Mongol princes into a new Soviet republic. If Moscow follows the procedure of her own precedent in Mongolia, she will recognize this republic as a self-governing State and then enter into a treaty of alliance with it. As a result, the Barga section of Manchuria would be transferred, as Mongolia was, from the suzerainty of China to the practical control of Russia.

The Russian action in the Barga district, whatever it may be, will have its bearing on the question of American recognition of the Soviet Government. This may or may not become a pressing issue in 1930, so far as the United States is concerned. But debate, on the question proceeds apace, and it is always more or less before the public. The Labor Government in England has just renewed diplomatic relations with Moscow under renewed promises by the Soviets to refrain from Communist propagenda in British territory. France, on the other hand, has given considerable evidence of impatience with Moscow, and the relations between the German Republic and the Soviets are far from satisfactory.

Recognition of the Soviets

Nothing has occurred of late which would increase the likelihood of the recognition of the Soviets by Washington. On the contrary, Mr. Litvinov's belligerent reply to Mr. Stimson's effort on behalf of the Kellogg pact has reinforced the disinclination of the Hoover Administration to enter into diplomatic relations with the Soviet authorities.

There remains one issue on the schedule for 1930 which is international in its bearing though it centres in Washington. That is the ratification of the President's action in signing the statutes of the World Court. The signature of the United States was affixed after all but a few of the nations which are already members of the court had formally accepted the amendment to the statutes worked out by Mr. Root and Sir Cecil Hurst to meet the Senate's reservation in regard to advisory opinions.

There appears to be a large measure of agreement among political observers that the sentiment of this country is overwhelmingly in favor of our joining the court, now that the statute has been amended to meet our views. Nevertheless, opposition already has made itself heard. It comes chiefly from those who were the outstanding opponents of President Wilson in his campaign to make the United States a member of the League of Nations. These men contend that the court is merely an appendage of the League and that a step toward the court is a step toward the League. Not the least interesting of the events of the coming year will be the final decision on this matter, a decision which will indicate whether the opinion of the country makes a discrimination between the court and the League, which the opponents of both refuse to make.

Fair Play For China

BY H. BENSON-CURRIE

To an observer of contemporary Chinese history, permeated as it is by periods of uncertainty due to the incessant warfare which has broken out within the last eighteen years with almost monotonous frequency, it is apparent that in spite of the gloomy predictions of many the Nanking Government has demonstrated its ability to cope with any emergency and its ability to deal with any insurgent army.

During the course of these years many generals have endeavored to control the reins of government and much blood has been shed in consequence of these jealousies aroused in the hearts and minds of military rivals for domination. However, with the arrival of Chiang Kai-shek on the field things seemed to take an entirely different aspect and the whole pivot of governmental control appeared to have been definitely and solidly established in Nanking.

That Chiang has remained in power for so long a period has astonished the longest of China's foreign residents, who thought themselves incapable of astonishment as far as the ebb and flow of Chinese politics were concerned. The British owned newspapers of Shanghai and Hongkong are still sceptical as to the longevity of the Nanking regime and are waiting for the next act in the play which they say is bound to come because China is China. Be that as it may, the indications are that Nanking will not be superseded by some other regime and, that although the constitution of the Nanking Government will eventually give place to a more representative institution, Nanking will remain the centre of political administration in the years to some.

Chiang Kia-shek a Real Leader

There are several reasons why the great mass of the Chinese prefer Chiang Kai-shek as a leader than any of the self-styled generals who have been very much to the front recently. The most important of these reasons has been lost sight of by those who profess some knowledge of Chinese affairs. The success of Nanking is entirely due to its desire to accept the three principles of Dr Sun Yat-sen as a part of its policy. The famous principles have created an everlasting impression upon the mind of the average thinking Chinese. To him these principles have become an ideal—stepping stones, as it were, to a goal which he, in company with his fellow Chinese, must strive to attain.

That is the crux of the matter and notwithstanding the incongruity of the mass of the Chinese in the past, they are now prepared to settle down and be governed by those who accept the teachings of Sun Yat-sen as a part of their doctrine. There may be further insurrections in the immediate future; that is unavoidable because the teachings of Sun Yat-sen have not yet reached the whole of China's 500,000,000 people. It will still be possible for insurrectionists to recruit big armies from the mass of the ignorant, whose only hope of existence lies in pillage and massacre. Nevertheless, the Nanking Government has come to stay.

Dr. Sun Yat-sen came to the people of China as a ray of light where only darkness prevailed. Reduced to the lowest possible depths in the scale of civilization, China's masses wanted a leader—not a military tyrant who would murder and plunder, but a thinker who would point out the way to independence and salvation.—a philosopher who would bring hope and encouragement to a long suffering race.

Those of the West who only sneer at the mention of Sun Yat-sen's name should recall the history of their own civilization and that of their country. Did not Christ come to a world hungering for a more satisfying form of spiritual worship than the empty idolatrous philosophy of the pre-Christian era? Turn to the history of nations. Who inspired the War of American Independence and who established the United States of America on the ashes of the Civil War? Who converted the ancient Britons from mere savages to a powerful nation and empire? The course of history was ever thus: each era produced one great thinker who either had some influence on the destiny of the world or upon the country in which he was born and bred. Did not Abraham Lincoln and Wilberforce come to the negroes of Africa just when all hope of freedom had been abandoned and the negroes had resigned themselves to misery and despair?

Sun Yat-sen embodied the personalities of Lincoln and Wilberforce and brought hope to his people. Death took him before his ambitions of a united China, free from bondage and occupying a distinguished position within the family of nations, was finally realized. However, his teachings have lived.

The inevitability of gradualness is a phrase which none can dispute. All changes of a far-reaching character must be gradual in their introduction otherwise the effect would be disastrous. Lenin was obliged to acknowledge this fundamental fact when he attempted to revolutionize the whole of Russia's industries and place them on a communistic basis. Nobody expects wide-sweeping changes in China within the next decade or so. Changes will come gradually and they will be permanent.

China Awake to Responsibilities

In the meantime we can only say that the awakening of China to her own economic responsibilities has at last come. Her desire for full independence and her wish to exercise her sovereign rights have been expressed over and over again. China's rebellion against foreign interference should not be taken as a sign of hostility against the western countries. Her efforts to throw off the yoke of foreign domination are a tribute to the teachings of the universities and schools of Europe and America. Have not her scholars visited our shores and learnt something of our democratic institutions? It is inevitable that those very scholars, who owe so much to the west, should return to their native soil and sow the seeds of discontent among their own people.

Although Dr Sun Yat-sen's physical structure was decidedly Oriental he was not a product of the East—that is to say he acquired a good deal of his great knowledge and wisdom from the Occident. It is only natural that he should inform his fellow-countrymen of their degradation and serfdom. Sun Yat-sen lived in the era of a fast-moving civilization. An era of mass production and giant machinery. Huge ships and airplanes. High wages, universal suffrage and democracy. Who will blame him for telling the Chinese what they might be if they would only wake up?

In the present discussons on the question of the abolition of extraterritoriality the foreign business community is visualizing all kinds of evils which it says will would arise if the foreign powers give up their extraterritorial rights and consular courts are abolished. The British-owned newspapers in Shanghai are entirely averse to any alteration in the *stauts quo* and have created an unfortunate atmosphere by an illogical misrepresentation of facts. In adopting this attitude they deceive nobody but themselves because every thinking man and woman must know that the *stutus quo* cannot be maintained forever.

The Example of Turkey

One's mind may easily go back to the events preceding the signing of the Treaty of Lausanne. Those who were in Turkey at the time will recall the crisis that was reached as the result of Lloyd George's and Lord Curzon's determination to prevent the abolition of the Capitulations. England was on the verge of an unwanted war over nothing. But the capitulations were finally abolished and who would say that the step was not a wise one?

As with Turkey so with China. The time has now come when the Chinese people are fighting against the continued encroachments upon their soil by foreign naval and military forces. Every sensible man and woman must bow to the spirit of the times. The ancient Britons drove the Romans out of England and the early settlers of America fought against British domination in 1776. History is merely repeating itself when the Chinese wish to exercise full sovereignty over their own lands.

Of all nations who claim extraterritorial rights in China only one nation is impeding the discussion on abolition and that is Britain. The United States as a whole is sympathetic towards China's aims and aspirations. The average Britisher is frankly quite indifferent as to China's future—perhaps this is because he is too much occupied with his own domestic problems. The real opposition comes from the British business men resident in China or with financial interests in China. Whatever feelings British statesmen and diplomats may have on the matter, these feelings must be subordinated to the views of the Shanghai business men who undoubtedly dominate the situation.

It is true that in the recent exchanges of correspondence between the National Government of China on the one hand and Great Britain on the other on the question of the abolition of extra-territoriality, the British Government dispatched a very diplomatic letter which, while declining to terminate the existing treaties, contained no end of pious hopes that the citizens of the Great Republic of China would continue to enjoy everlasting peace, prosperity end contentment. However beyond these gracious and touching phrases nothing of a logical and constructive character was put forward to clarify the issues. Stripped of the gold and silver thread shimmering through these expressions of hope and sincerity, the naked truth begins to reveal itself—Great Britain does not want any alteration in the *status quo*.

This type of official letter, inspired as it is within the portals of a government building wherein men practice an archaic diplomacy reminiscent of the Victorian era, is typical

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A Reconstruction Program For 1930

BY CHANG CHING-KIANG (張人傑)
(Chairman of the National Reconstruction Commission)

The program of the National Reconstruction Commission for the current year may be briefly divided into river conservancy, electricity, harbor construction and the development of coal mines. The various activities of the commission will be carried out simultaneously, and, although it is impossible to expect that the various projects will be completed according to schedule, there is every reason to believe that in the course of the year considerable progress will be achieved in the country's reconstruction.

Chang Ching-Kiang, Chairman Chekiang Provincial Government and Concurrently Chairman National Reconstruction Commission.

River Conservancy

With conditions of the several existing Government Railways as they are and in the absence of any national highways, inter-provincial motorroads or other convenient means of communication, China's waterways still remain the only dependable routes of travel and transportation. The railways may be interrupted, as they often are; but the rivers are always open to traffic.

However, continuous neglect of conservancy works and geographical changes are rendering some of the country's important waterways unnavigable, a number of them having already become too shallow, while silt is gradually filling up many others. If such a state of affairs is allowed to continue, it would not be very long before this only means of communication would also be closed to the people.

In view of this, the Commission proposes to establish a National Conservancy and Irrigation Bureau to take charge of all conservancy and irrigation matters throughout the entire country. The Bureau will be entrusted with the duty of formulating conservancy projects for all important waterways in the provinces and attending to the carrying out thereof. It will exercise supervision over the conservancy and irrigation activities of the local governments and cooperate with the provincial authorities in bringing about an effective and strict regulating of the use of all inter-provincial rivers. To facilitate its task, the Commission proposes to divide the entire country into six main conservancy areas, namely, South China, North China, Central China, the North-East, the North-West and the South-East, each to be placed under the jurisdiction of a branch office of the National Bureau for the purpose of co-ordinating the work of the local authorities.

As an example showing how the scheme will operate, it may be mentioned that representatives of the Provincial Governments of Hopei, Shantung and Honan recently held a joint conference at Chengchow to discuss and formulate conservancy measures for the section of the Yellow River passing through the three provinces to be jointly carried out by the Provincial Departments of Reconstruction concerned. Indeed, the importance of cooperation among the local authorities in such enterprises cannot be overemphasized.

Development of Electrical Enterprises

Perhaps by far the major interest of the Commission lies in the development of electrical enterprises throughout the country. As a matter of fact, since the inauguration of the Commission, it has devoted itself more to the creation of electrical energy and its application in the daily life of the people than to any other undertaking. In the Capital alone, preparations are now under way for the construction of a gigantic power plant capable of generating 15,000 Kilowatts. It is also planned to meet the increaing demand of the farmers in the Wusih-Changchow region for electrical power for irrigation purposes by increasing the capacity of the power plant at Chehshuyen with the installation of another 3,200 kilowatts generator before the end of the current year.

Electrification of the country being one of the fundamental projects advocated by the party's late leader in his program for the industrialization of China, the Commission, with a view to realizing the project, is now investigating into the extent and location of the countrys water-power in order that a comprehensive scheme for its utilization can be formulated and carried out in due time. In this phase of the Commission's activities, as in many others, it is likewise proposed to divide the country into several divisions according to the location and extent of the source of the water-power.

But while planning for the nationalization of electrical development, the Commission is at the same time desirous of promoting and encouraging the maintenance of small power plants by private individuals, for it is obvious that theproject for the electrification of the entire country would require a number of years for completion, and the more the public becomes interested in the enterprise, the sooner will the plan be realized. What is held to be of importance by the Commission is the necessity of standardizing the equipment of all private electricity plants to facilitate future cooperation with the Commission as well as regulating the sale of electric power to ensure benefit to both the manufacturer and the consumer. The Commission, therefore, while encouraging such private undertakings, will at the same time place the result of its exhaustive investigation into the electrical industry of various Western countries at the disposal of the private manufacturer for his information and guidance.

As part of the program, the Commission has opened in Shanghai a model electrical machinery factory to experiment with the manufacture of various electrical apparatus to meet the increasing demand for such. Up to now and for some time to come until China has advanced far in the field of mechanical engineering as to be able to produce electrical equipment for her own use, electrical machinery will continue to be imported from abroad. But if the scheme for the electrification of the country is to be carried out in its entirety, it is necessary that native manufacture of all kinds of electrical machinery, from the fine copper wire to the gigantic generator, be first made possible; for it would be impractical and certainly extremely costly to depend upon foreign countries for all necessary equipment. The Commission, therefore, regards the enlargement of its small factory in Shanghai as one of the urgent measures the carrying out of which does not permit of further delay.

China being primarily an agricultural country, the preliminary step in the national application of electric energy will naturally be the irrigation of farms. Judging from the unprecedented success of the initial experiment in this direction conducted by the Commission in the Wusih-Changchow region, it is a matter of certainty that irrigation of farms by electrical power will be adopted by the farmers. It not only saves time and energy but also ensures success of the crop. The system has already been introduced to the farmers in the region around Nanking and also in certain districts in Hupeh, Anhwei and Chekiang.

Harbor Construction

Preliminary preparations for the construction of two important ports, namely, the Great Northern and the Great Eastern Ports, and one fishing harbor off the Chekiang coast will be continued throughout the year. The two projected

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The Impending Civil War in China

(Special Nanking Correspondence)

War clouds loom high in the northern horizon in China after two months of peace of a questionable nature.

As soon as General Feng Yu-hsiang broke with Nanking last year, the generals of the Northwestern Army in a joint telegram also declared their opposition to the Central Government. It was significant that the telegram was sent from no other city than Taiyuanfu, the sanctuary of General Yen Hsi-shan. Later on when Feng moved to Hsinghwei Village, he was ostensibly announced to be under the strict surveillance of Yen's army. As a matter of fact, he was still freely directing the operations of his army at the front by means of wireless from his "place of detention." Furthermore, it was Shansi that played the role of provider when Shensi and Honan armies were seriously stricken by the lack of food supplies. The understanding and relations between Yen and Feng were so obvious that it was everybody's expectation to see the two in an open combined effort against the Central Government.

Yen's Insincerity

However, things didn't turn out as had been expected. While continuously giving Feng material aid, Yen still preserved his friendly relations with the Central Government, if but insincerely. In spite of this insincerity, however, the attitude of the Central Government toward Yen has been to all appearances one of generosity; and no efforts were spared to gain his unqualified support. Whatever his requests with regard to the politics in the north, they were conceded. General Ho Ying-ching and General Ho Cheng-chung were sent up one after another to see him with the hope of persuading him to sacrifice his personal ideas and to cooperate with the Central Government. And as a result of these activities, he ordered his troops to Fenglingtu to reinforce the Central Army.

Then the maneuvring of the Reorganization Party came to a head: both Generals Shih Yu-san and Tang Sheng-chih revolted against the Central Government. To meet the situation Nanking unreservedly appointed General Yen as the Vice-Commander-in-Chief of the Army, Navy and Air Forces and invested in him full power in military affairs in the north. At the same time, Mr. Chao Tai-wen, President of Control Yuan, and General Liu Cheng-hwa acted as mediators between him and the Central Government. Then we saw Yen once again militarily active. He appointed a Field Commander-in-Chief and Commanders for his various Route Armies, etc., and made it widely understood that he would do his utmost to preserve China's unity and put an end to the Reorganization Party. The result was General Tang's force was almost wiped out; following which Yen again returned to Taiyuanfu.

It was thought by many that after all he had no intention of making trouble with Nanking. The current belief was regarded groundless that under the coercion of the former Peiyang militarists and the Anfu clique and the influence of the Reorganization Party, he was aiming at overthrowing the Central Executive and Supervisory Committees created by the Third National Convention of the Kuomintang and the establishment of a government in the north in order to destroy the *status quo* of Nanking. It looked for a time that at last China was to enjoy a long period of undisturbed peace.

Yen's Aim to Break Down Government

But apparently fate decrees otherwise. To build a castle in the air is against all laws of nature; this even the people of a war-stricken nation as China know only too well. However, what else is left for them to do but grasp at every possible hope, even though such has been proven time and again to be but a bubble? This time the bubble was pricked by a telegram from the very source which had inspired it.

General Yen has asked President Chiang Kai-shek to resign with him from their public duties; political power is to be handed over to the Central Executive and Supervisory Committees of the First, Second and Third National Conventions of the Kuomintang, "Party affairs to be settled by Party members and national affairs by the people." It appeared evident that his aim was to break down the present foundation of the Party and the Government. The various cliques and parties in the country would thus again be given an opportunity to be active and reduce the country into a state of worse turmoil.

In spite of the many telegrams from President Chiang, Presidents of the five Yuan and the various local Party Headquarters pointing out his responsibility and advising him to reconsider his intentions, General Yen in his subsequent replies seems to be determined to sit tight upon his own wish against all comers. The telegrams exchanged between him and the central political and Party organs gradually show the imminence of another civil war. As a matter of fact, preparations are already going on. Perhaps at the time of writing, news of actual encounter but awaits to be carried to the public.

It is believed by some that General Yen is really under the restriction of the Chengchow conference and is enveloped by the former Peiyang clique. His first three telegrams were indeed meant to be a sort of threat, forcing President Chiang to get out so that the north might again resume their power and create an entirely new state of affairs. However, instead of falling into this trap, President Chiang announced in no uncertain terms that he would not shirk from his responsibilities but would fulfil his duties to the best of his ability. Seeing that while he was unable to put across his scheme, he has arrived at a point where it is impossible for him to turn back, Yen is obliged to carry out his threat by force.

Yen Hsi-shan's Plans

It is learned that General Yen plans to advance his forces along three different lines: his first to follow the Lunghai line into western Shantung, from hence to advance along the Tientsin-Pukow line with the object of first occupying Shantung and then Anhwei and Kiangsu; his second to follow the Peiping-Hankow line for the capture of Wuhan; and his third to advance southward from Siangyang and Fancheng in northern Hupeh. The main force of the Shansi Army consisting of 60 regiments has already been mobilized and the troops under Shih Yu-san and Sun Liang-cheng, both Feng's generals, are also ready for action.

President Chiang is also completing his military preparations for meeting the northern army. It is estimated that there are about 100,000 troops along the Tsinan line between Hsuchow and Pukow. The former city is heavily garrisoned by some sixty to seventy thousand troops under Generals Liu Shih, Ku Cho-tung and Chen Chi-cheng. From thirty to forty thousand troops under Generals Chen Tiao-yuan and Fan Hsi-chi are stationed in Shantung. Northern Anhwei is fortified by the forces of Generals Ma Hung-kwei and Jeng Ying-chi, while the Peiping-Hankow Railway leading to Wuhan is heavily garrisoned by the armies under Generals Chiang Ting-wen, Hsia Tou-yen, Hsu Yuan-chuan, Wang Ching-yu and Yang Hu-cheng, totaling not less than 100,000 men. More than 100,000 other troops are expected to join the Central forces.

Although the Central Government is making every preparation to meet the northern forces, it is still hoping that General Yen will do his part to check the impending catastrophe before it is too late. Yang Shao-tai, Minister of Interior and Yen's follower, has recently left for Taiyuanfu with an important mission: firstly, to clear up misunderstanding; and secondly, to ask Chao Tai-wen to return to Nanking together with him to act as mediators between General Yen and the Central Government. Should he fail in this mission, it is understood that neither Yang nor Chao would return.

As to the possible attitude of Manchuria in this crisis, whatever step they take will be most significant. However, in view of the troubles on the border and the fact that continued internal warfare will only furnish a good opportunity for encroachments by dangerous neighbors, General Chang Hsueh-liang is strongly in favor of a peaceful settlement. It is reported that he is doing his best to ease the strained relations between the two sides. Whether or not this mediation on the part of the young General will be successful is yet to be seen.

Nanking, February 25, 1930.

A Pre-View of the New Chinese National Capital

BY C. Y. W. MENG (孟長維)

THE establishment of the National Government at Nanking should constitute another glorious chapter in the history of that historical city. This is the second time that the city of Nanking has been used as the Capital of China. It is true that past "dynasties" also used Nanking as the Capital, but such dynasties can not be considered as dynasties as they did not unify China.

In the Tsu 楚 Dynasty, Nanking was called Kin-lin 金陵. In the Chin 秦 Dynasty, it was called Mei-lin 秣陵. In the Han 漢 Dynasty, it was called Tan-yang 丹陽. In the Wu 吳 Dynasty, it was called Kiang Yih 建鄴. In the Chien 晉 Dynasty, it was

Y. M. Lin, Who Has the Responsible Position of Director of the Nanking City Planning Bureau

called Kiang-kung 建康. In the Tang 唐 Dynasty, it was called Sing-chow 昇州. In the Sung 宋 Dynasty, it was called Kiang-kung 建康. It was not until the Ming Dynasty that the name Nanking was originated. In the Manchu Dynasty, it was generally called Kiang-lin 江寧. At present, both names—Nanking and Kiang-lin—are used at will.

Population of Nanking

To reconstruct an old-type city into a capital is surely no easy task. But the first guiding principle is to take into consideration the approximate growth of the population. Any projects of construction of a city, such as dividing it into different centers, opening new roads, establishing electric plants, etc., all are closely connected with the growth of the population. Should Nanking be improperly built and without sufficient accommodation for the growing population, the result would be more death than growth, owing to the unhealthy condition of the locality, and this would tend to impede the growth of population. So Nanking should be constructed in such a way as to afford enough accomodation for the people, which will naturally include many immigrants.

The following statistics from the Customs show the growth of the population in Nanking during the past seventeen years:

Years	Population	1920	392,100
1912	269,000	1921	380,200
1913	269,000	1922	380,900
1914	377,120	1923	401,500
1915	368,800	1924	395,500
1916	378,200	1925	395,900
1917	377,549	1926	395,900
1918	376,291	1927	360,500
1919	392,100	1928	497,500

From the above, it is clear that the growth of population in Nanking fluctuates very much, obviously due to some other reason than natural causes. The rate of growth has been only .00125. That is to say, the growth is very slow.

The Public Health Bureau of the Municipal Government of the Special Municipality of Nanking further shows that deaths have exceeded the growth during the first part of 1929, as the following statistics indicate:

1929	Growth	Deaths
January	194	465
February	193	472
March	207	461
April	220	455
May	158	514

The principal cause of this decline is the unhealthy condition of the people.

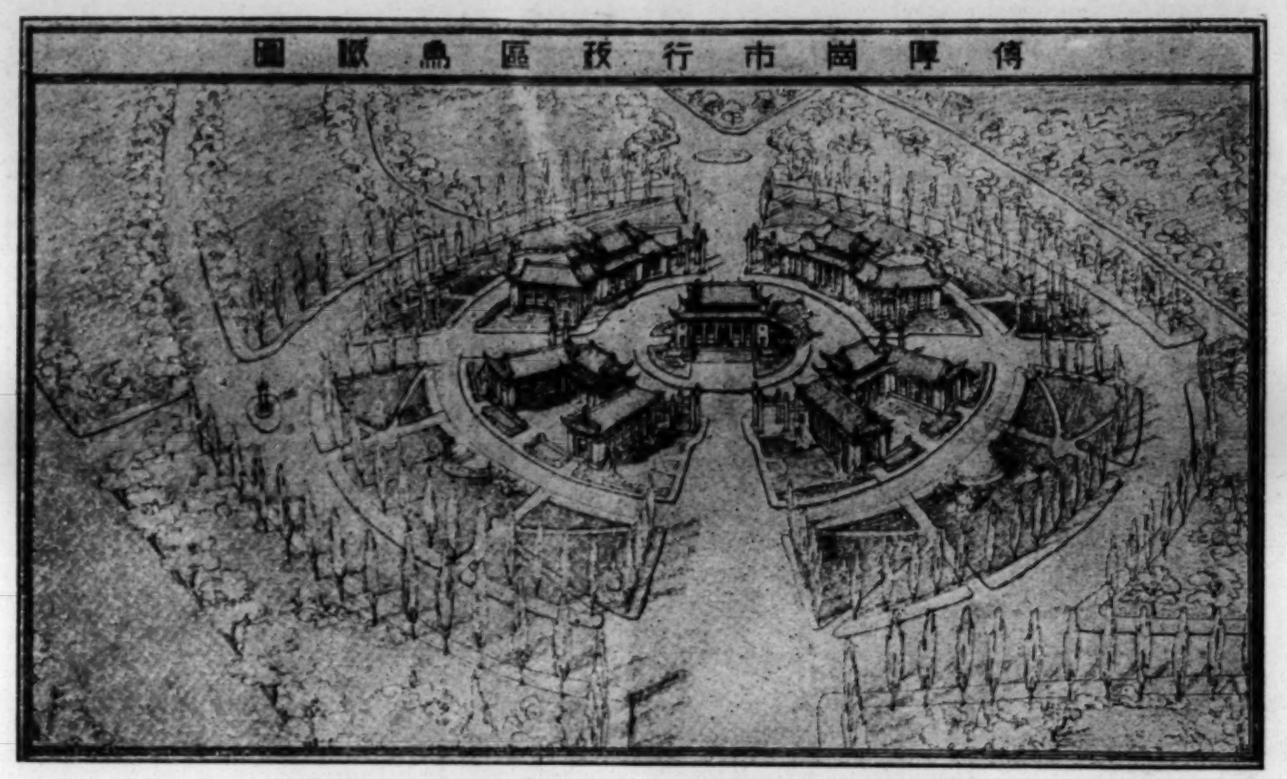
At any rate, since the establisment of the National Government in Nanking, the population in Nanking has been growing very rapidly, as is shown from the fact that in 1927-1928, a sudden increase of more than 100,000 occurred. It is to be noticed that at present, the number of government employes in the Central Government organs is approximately 10,000. The American central government has about 60,660 employees. The French Central Government has about 128,-700 employees. In proportion to the Chinese present population, the Chinese Central Government should have about 200,000 employees. So it is not exaggerating to say that after a period of development, the Chinese Central Government will have at least 100,000 employees. That is to say, it will greatly increase the population in Nanking. It is equally safe to say that at the end of this century, the population in Nanking will be somewhere about 2,000,000, as a result of development of the city. Nanking must be constructed in such a way as to afford them the accommodation.

The Political Center

Nanking is a big city. In reconstructing the city into the Capital, the Nanking City Planning Bureau has decided to divide the city into different centers, such as political, industrial, residential, etc.

In choosing the political center, the guiding principle has been to take into consideration the local conditions together with the military aspect of the location. In choosing the

Proposed "Model" Houses, for Laborers and Artisans



The Proposed Administrative Area for the Nanking City Government

southern part of the foot-hill of the Purple Mountain as the Political Center, the Bureau was guided by the following four reasons:

1. Sufficiency of space for future extension; At present, all the government buildings and offices are scattered about the city. But in grouping them together, there should be a space big enough for future extension. The area around the southern part of the foot-hill of Purple Mountain is about 11,100 mow.

2. Suitability of the location: When the railway central station is built west of the foot-hill of Purple Mountain and when the construction of highways connecting Hangchow, Shanghai and Ching-kiang is completed with their termini ending south of the foot-hill of Purple Mountain, the Political Center can easily communicate with other cities.

3. Impressiveness of the scene: When one walks in or out of the building, several times daily, he would always see the monumental Mausoleum of our late leader, Dr. Sun Yat-sen, who devoted his whole life to the cause of the Chinese revolution, and this serves as a reminder to all of us, no matter whether we are members or non-members of the Kuomintang, that we should devote ourselves to finishing the incomplete work of our great leader by ceasing internal warfare, discarding all political and personal differences, and instead devoting our full efforts to reach the goal of freeing China from military despotism and foreign imperialism!

4. A strategical place: According to some strategists, Purple Mountain is the highest point in the city and it will protect the whole city when fortified.

The Municipal Government Center

In choosing the Municipal center, the following have been the guarding principles. Inasmuch as the Municipal Government should have more close contact with the people, it should be located in such a position as to establish direct or indirect relations with the people. Secondly, the Municipal Government would be developed when the city develops and population grows. So it is necessary to reserve some big space for future expansion. Some bureaux, such as the Revenue Bureau, the Registration Bureau, etc., should be located in the more densely populated part of the business center. But some other bureaux such as the police training institution may be ocated in remote places. With this in view, the Nanking City Planning Bureau has decided to locate the Municipal Government between Tai Chung Ting 大鐘亭 and Wu Tai Sen 五台山, northeast of the famous Drum Tower. The area is said to be about 1602 mow, which is certainly big enough for any future extension.

Culture Center

In order to give the city people some moral and physical training, the Nanking City Planning Bureau has also decided to locate a Culture Center in the neighborhood of Wu Tai Sen, the name of a small but famous hill in Nanking. There will be a public library, lecture hall, museum, recreation ground, foot-ball field, gymnasium, etc. It was further decided by the National Government that the National Research Institute, which is now in Shanghai, should be removed to Nanking, to be situated somewhere in Wu Tai Sen.

Educational Center

The statistics compiled by the Education Bureau of the Municipal Government of Nanking show that, in 1929, there were about 33 public primary schools, 25 private primary schools, and 18 missionary primary schools, with a total number 13,263 students. But the statistics compiled by the Social Bureau for 1929 show that children from 6 to 12 years of age occupy about 10.4% of the total population; that is, the total number of children under this age should be 51,742, basing the statistics on the population in Nanking during the same year, as supplied by the Customs. But now only about one-forth of the children receive any education!

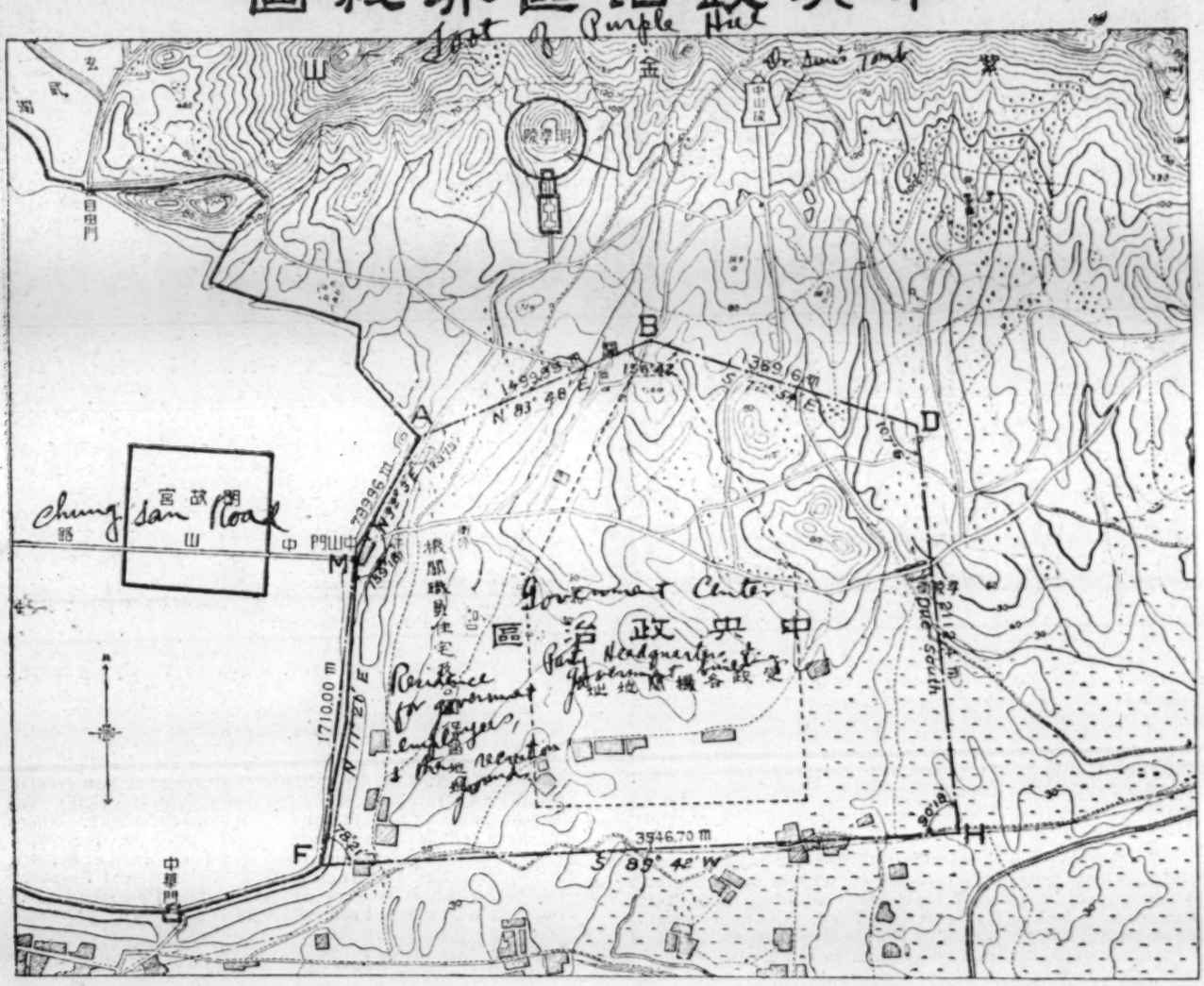
From the same statistics, we know that there are in Nanking 3 public middle schools, 8 private middle schools and 7 missionary middle schools, with a total of about 3,634 students. At present there are no statistics available to show the number of boys and girls between 12 and 18 years of age. Under such age, they are generally sent to the middle schools for education. But it is very reasonable to say that 9% of the population are boys and girls under this age; that is, there are about 45,000 boys and girls in Nanking between 12 and 18 years of age. But only 3,600 of them are attending the middle schools!

The above figures are sufficient to remind the government authorities that the number of children, boys and girls actually attending schools is very small and steps should be taken to compel and enable them to receive an education—one of the prerequisites of a democratic form of government. So in dividing the city into different centers there should be an educational center for the education of the masses.

In planning the educational center, it is necessary to divide the center into several sections. All the primary

Central Political Center

中央政治區界綫圖



中央政治區	面積	77580公畝
	原綫尺	11028公尺

二萬五二分一之比例尺

處事辦員專術技計設部國			
圖綫界區治政央中			
民委.路	定審	J. J. Lin Crosby	計設
日 月六年八十	期日	葉陳 劭美	繪測
GB	綫編	敏	打校

This Drawing Shows the Approximate Location of the Proposed National Governmental Center in its Relation to the Present Walled City of Nanking. It also Shows the Location of the Ancient Ming Tombs, the Chung-San Road and Sun Yat Sen Memorial Mausoleum.

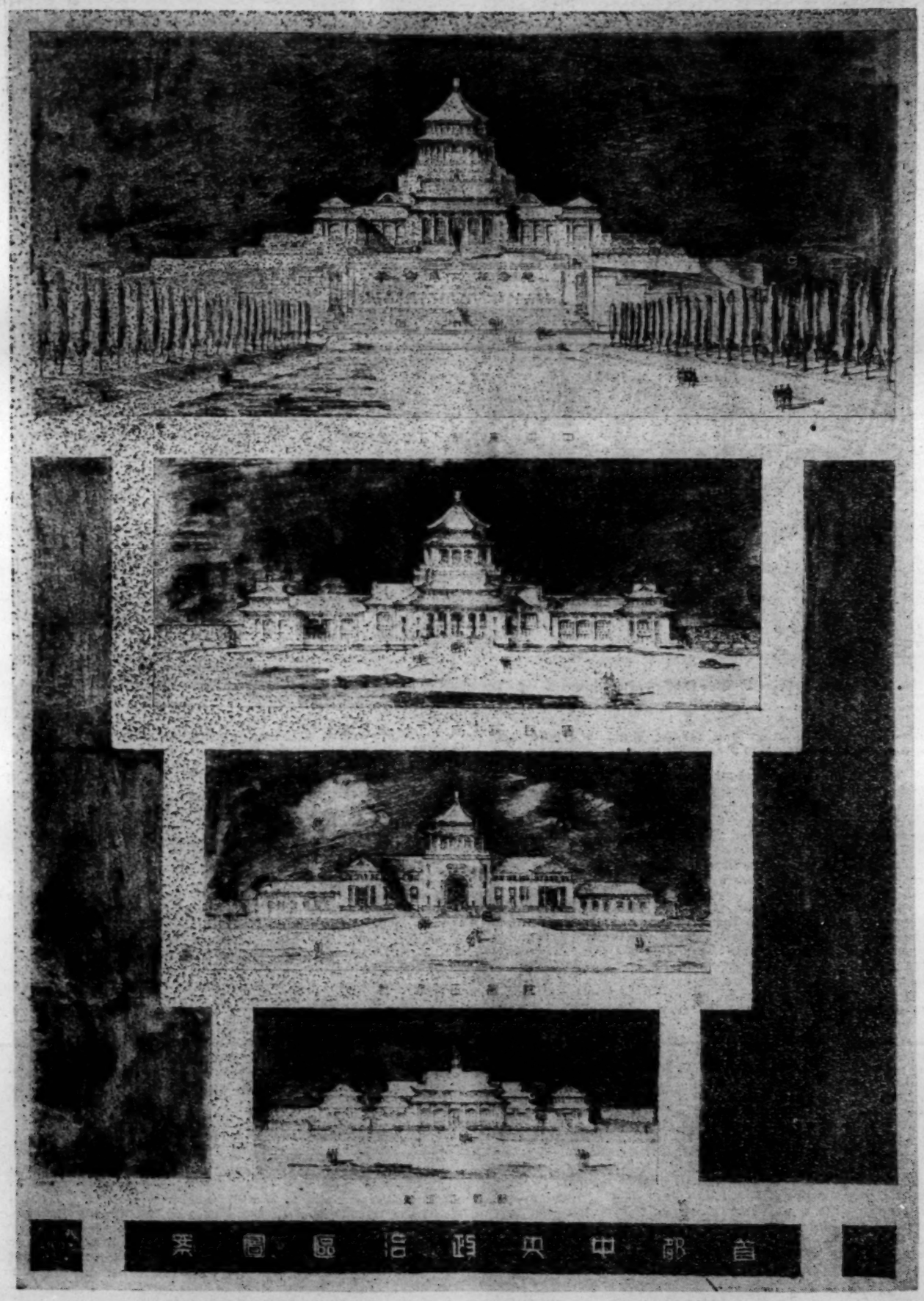
schools and middle schools should be situated near to the residential center, so that students can go to the schools and back home easily. But in case of universities and colleges, they may be situated in accordance with their circumstances, irrespective of the distance. It is proposed to develop and enlarge all of the 33 public primary schools which are within the residence center, so that each of them can accommodate about 700 students, with a reasonably-sized play-ground attached to each. Should this step prove not practical, it is contemplated that 16 new schools will be opened inside the residence center.

A middle school is different from a primary school in this that the average student in a middle school, should occupy more space than a primary school student. In the former there should be bigger playground, assembly hall, dinner hall, gymnasium, swimming pool, etc., but these are not necessary for the primary schools. It is proposed to develop and enlarge the 3 public middle schools, and to build new ones about a mile or a mile and-a-half from the residential center, if the improved ones are not adequate.

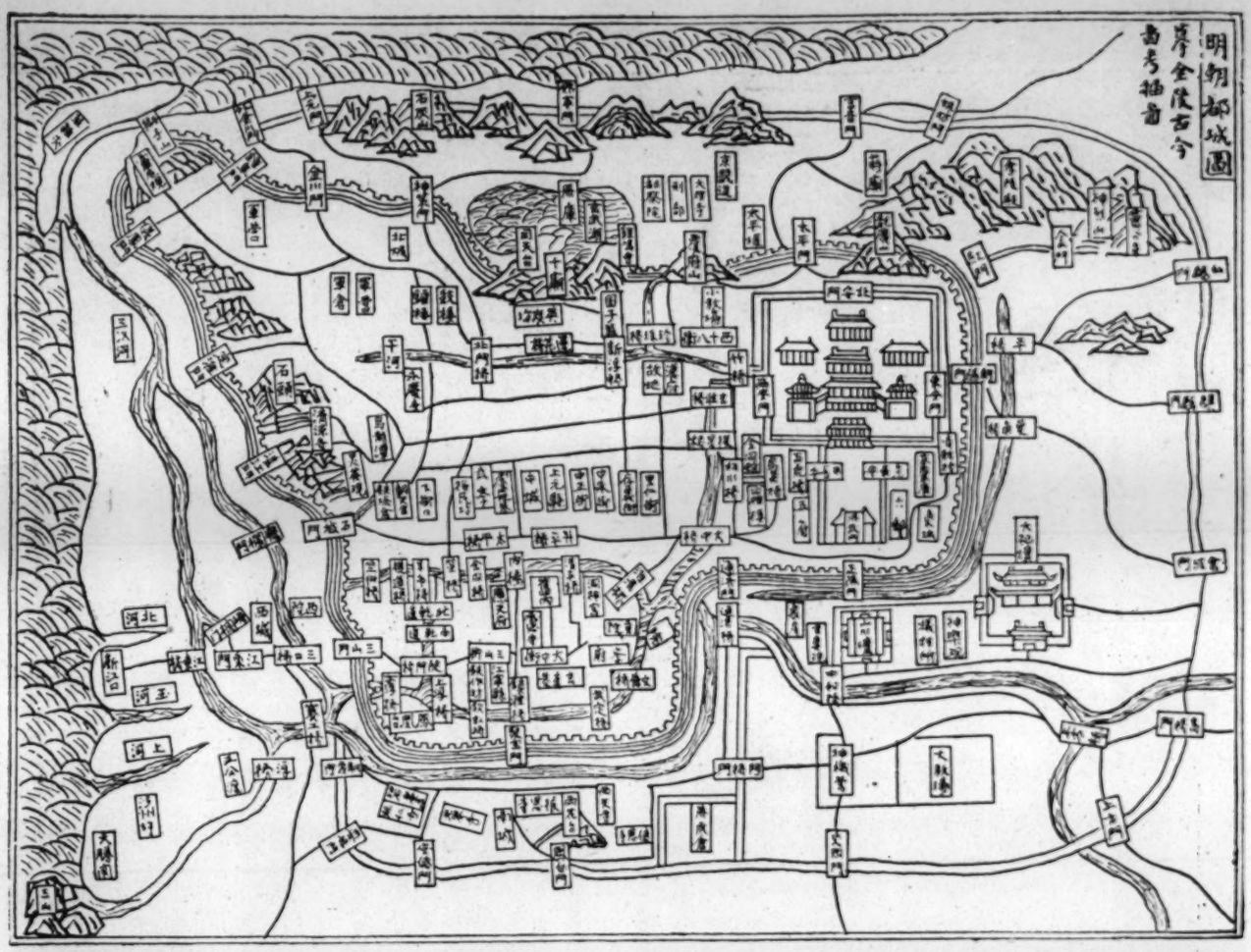
Residential Center

To find a house for residence in Nanking is a matter of great difficulty. Rentals are now about twenty times higher than before and the premises are not suitable for residence. If one wants to rent a house, he has to pay a sum little less than a hundred dollars as security for payment of monthly rental, in addition to one month's rental in advance. The only cause of this high rental is the fact that the demand for houses exceeds the supply. So it should be one of the duties of the government to build some public-accommodation houses, to be let to the people.

It is now proposed that the Government build houses for the accommodation of the three classes of people, namely, for the government employees, for the people whose lands are



Architect's Conception of the Frontal Appearance of the Various Public Buildings.



How Nanking Originally Was Designed by Some Early City Planner Under the Ming Emperors Who Ruled 600 Years Ago

now converted into roads and for the common people such as shop employes, etc., who are unable to pay the high rental.

At the outset, it is clear that residences for the government employees should be within the Political Center. But in view of the fact that there are many different ranks in the official circle the earning capacity of which varies greatly it is further proposed that the residences for government employees shall be divided into three classes. The choice of the class of residence is however left with the employees. These houses are let out at moderate rentals.

In connection with the statement that the Government is going to build houses for the accommodation of people whose lands are taken to build roads when the Government exercises its right of eminent domain, it not to be understood that the Government is going to build houses for every one of them; there would be no reason to do so as the Government does not confiscate their lands but buys them. What is mean is that there are quite a number of people who own a small piece of land upon which they built houses to live in. But now their lands have been bought by the Government for making roads. Though the Government pays them for the lands, it is not possible for them to build houses in which to live. The building of the Chung Sen Road, the best road in the city of Nanking, has evicted hundreds of people who now have no buildings in which to live. It is for this class of people that the Government would build houses to be let to them at the lowest possible rate.

There are many people in China today whose monthly income is not above $30. Being unable to pay the high rentals, they are now crowded into one small room. This is especially serious n Nanking where the rentals are now twenty times higher than before. As far as we can see, it is better to divide government built residences into different sections; that is, to build the houses in each section in accordance with the circumstances. For example, some sections of the residence, should be located within the commercial or business center, and some should be within the industrial center.

While we are planning the accommodation for the government employes, etc., we should not neglect the accommodations for the laboring classes. However the building of public accommodation houses for the laboring classes should be left in the hands of the owners of the factories, the Government merely regulating and supervising.

Style of Buildings

Asked as what would be the style of the government and public buildings, Y. M. Ling, director of the Nanking City Planning Bureau, said, "We will follow the Chinese style", pointing out that China has an architecture of her own so we have to preserve the Chinese architecture and civilization. "But by this," Mr. Ling continued, "we do not mean we will build the buildings in the typical Chinese style. We will only take into consideration some of the good points in Chinese architecture and mingle them with the western architecture, making the Chinese architecture as principal and the western architecture as auxiliary; putting the Chinese style on the outside of the buildings and the western style in the inside of the building. As to all the government buildings, we should model them on the old Chinese palace style. But as to the buildings of a business character, we should put the Chinese style on the outside and the western style in the inside," concluded Mr. Ling.

More Roads Being Built

With the exception of the Chung Sen Road, Nanking is either roadless or has only narrow roads, one motor car being sufficient to block the road. But should steps be taken to widen every road, it would necessarily involve too much sacrifice on the part of the people who have necessarily to sell part of their valuable land property to the government so as to provide the width for the road. So it has been the policy of the Nanking City Planning Bureau that in some places, which are too densely populated or which are in the business center, where widening the roads will be very difficult, only to pave and improve the roads, allowing only wheelbarrows, ricshas, etc., to pass, but not motor cars. At the same

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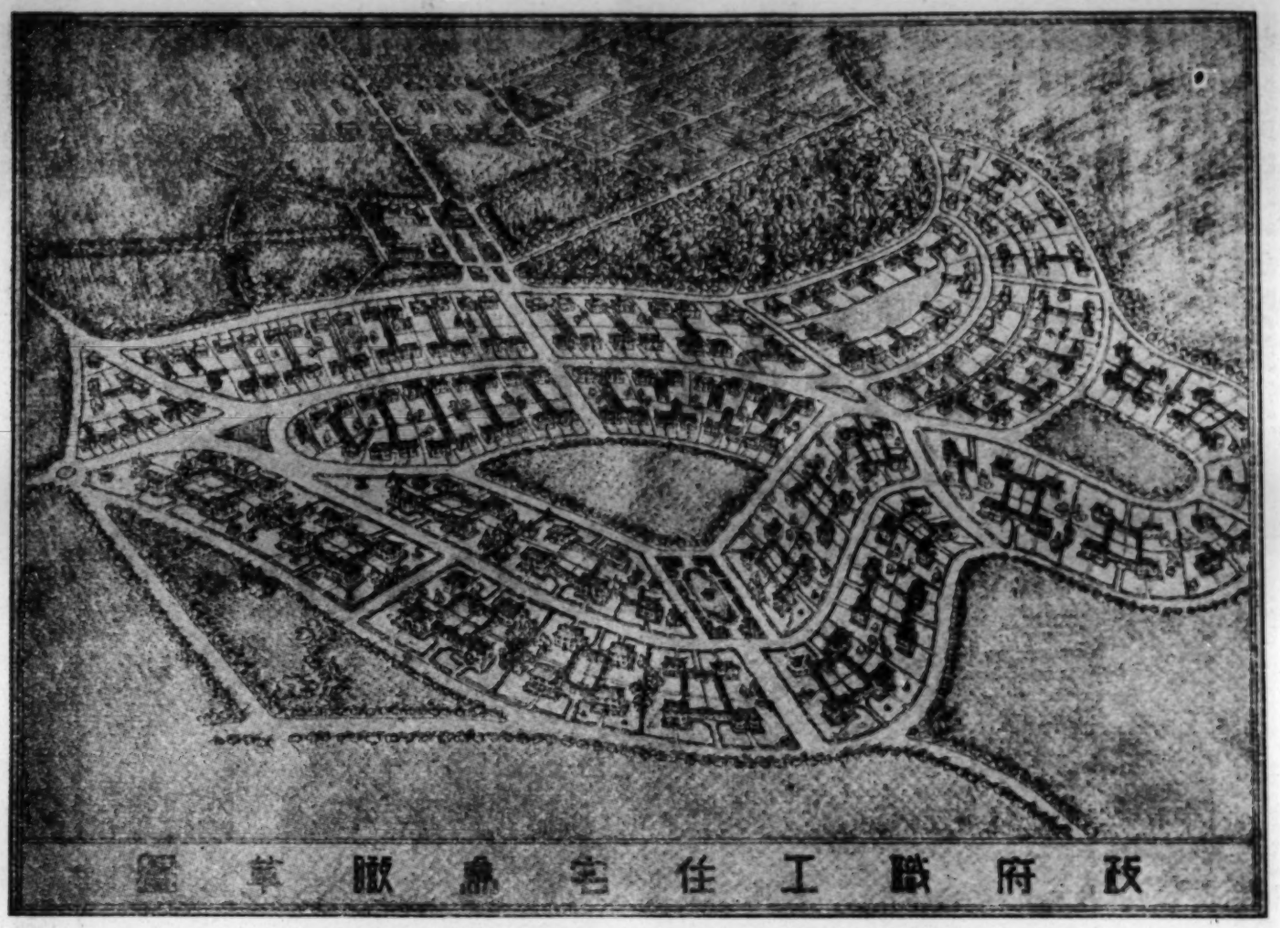
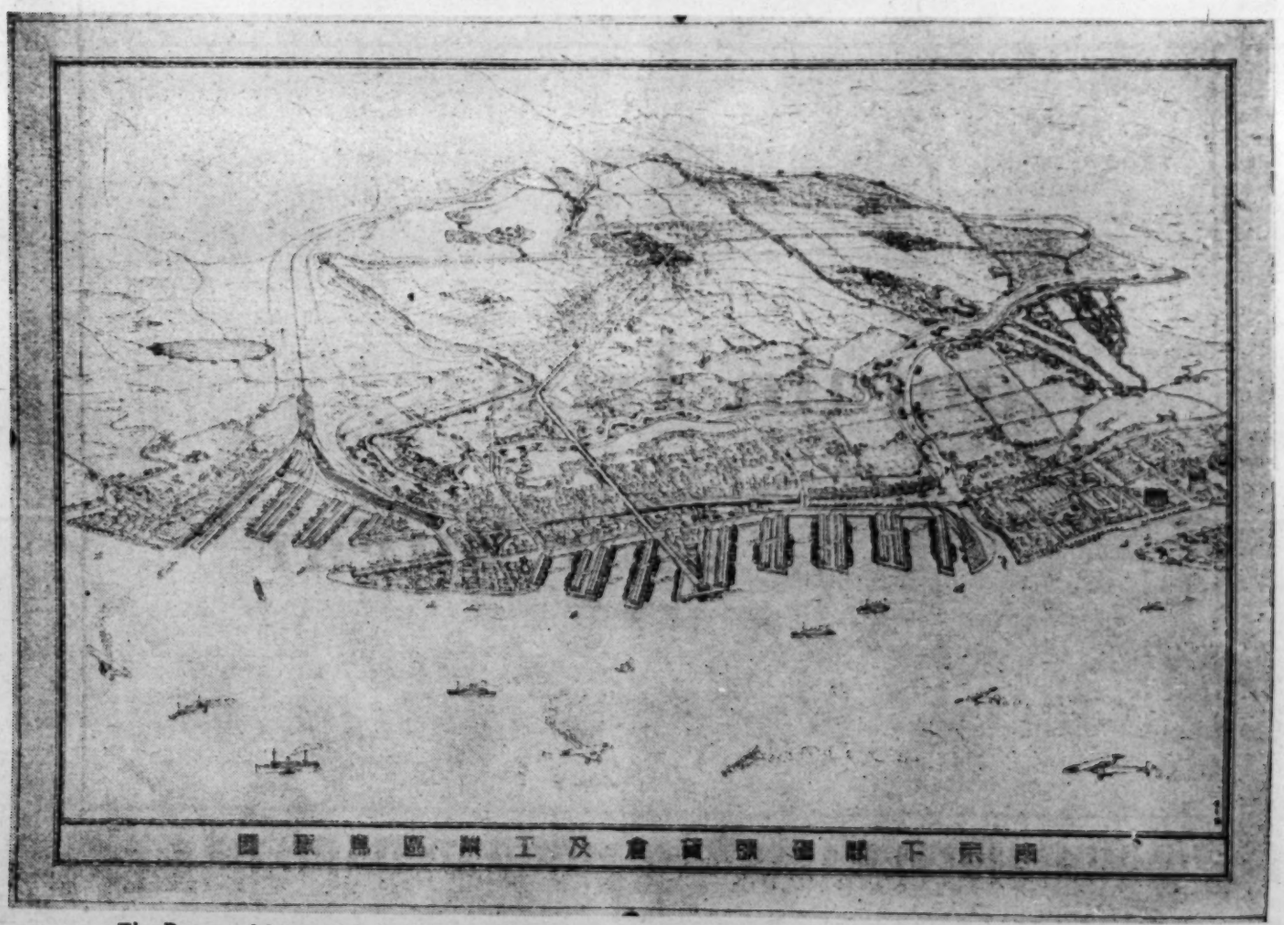


The Section of the City Where Employes of the Government Will Live



The Proposed Industrial and Commercial Section of the City Will Be Located adjacent to the Yangtsze River in What Is Now Known as the "Hsiakwan" Section.

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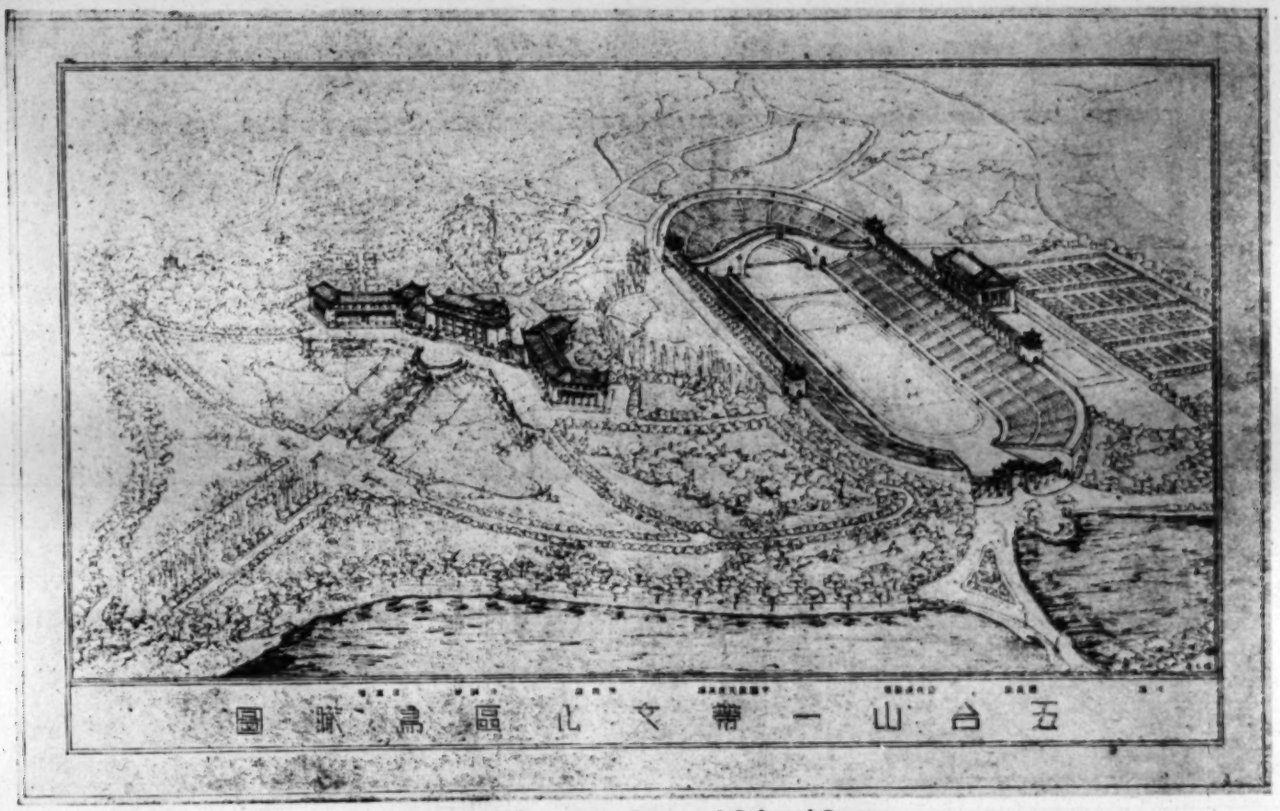
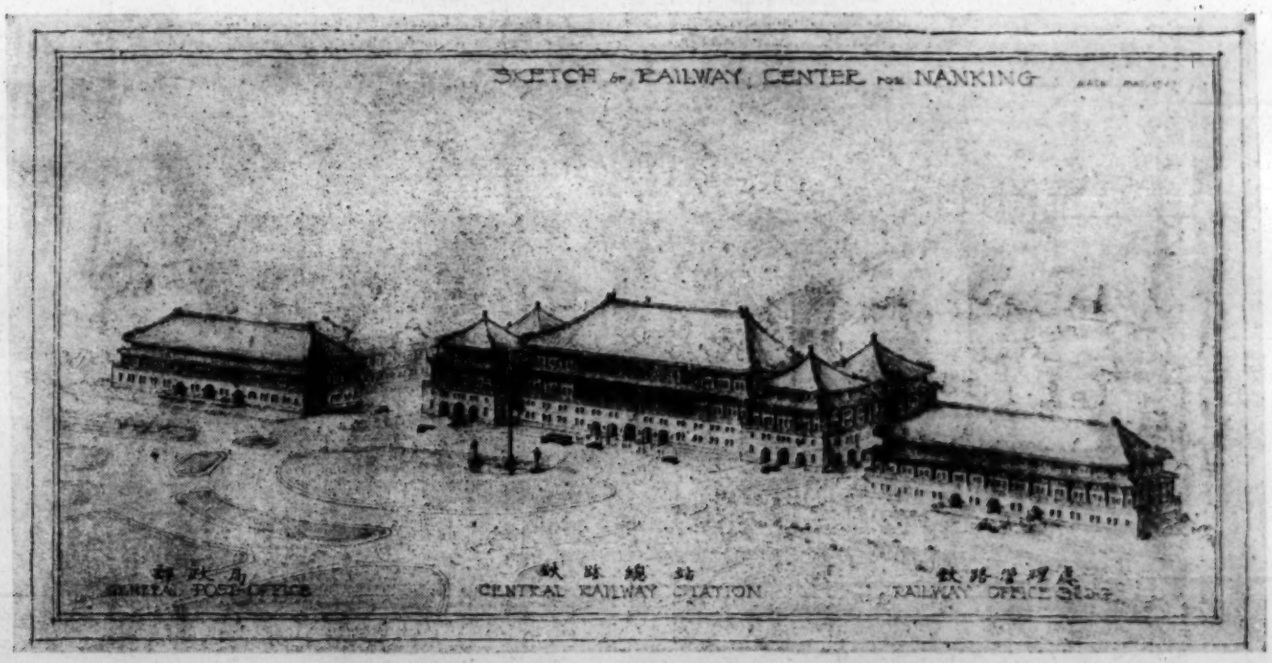


A General View of the Proposed Cultural Center



The Central Railway Station as it Will Appear When Completed

time, steps are to be taken to build wide roads for motor cars to connect these places. A pretty good system of road building has been worked out by the Bureau.

Water Works Started

One of the great troubles that has annoyed the residents of Nanking is the poor water. The people have to use water from the wells or from ponds for drinking and washing. It is naturally dirty. It is now decided that the Municipal Government will appropriate a sum of $2,000,000 for the erection of water works plants. The Nanking City Planning Bureau further decided to locate the plants on the north of Kiang Sin Chow, 江心洲 along the Yangtze River. It is said that the water there is very pure. It is further decided that some of the deep wells will be preserved to meet emergencies or for the use of the fire brigade.

Industrial Center

China has entered the industrial stage, so the construction of Nanking would not be complete if the Nanking City Bureau failed to designate an industrial center for the development of Chinese domestic industries. It is now decided that south of Hwakian 下關 which is about three miles from the city of Nanking wall shall be designated as the industrial center, obviously for the reason that this place is quite near to Nanking harbor, the railway center, and being convenient for the transportation of goods. Further, the area around this place is big enough for the erection of big factories and the building of laboring class houses.

As to other constructions, such as the construction of the Nanking Harbor, building of railway central station, erection of electric plants, and many others, the Nanking City Planning Bureau has already had a definite scheme to be carried

ont, which, we regret, space does not permit us to discuss. Mr. Ling, the director, further informs us that the whole scheme of construction will take a period of six years starting from 1929 ending in 1935. The total sum required, as estimated, is about $51,800,000 Chinese currency. The sums are appropriated as follows:

Construction	Sum Required
Government Offices	
For the accommodation of about 12,000 employees	$10,000,000.
Buying lands for public recreation grounds or parks	300,000.
Buying lands for roads	12,000,000.
Wharf & godown, construction	2,000,000.
Railway ferry & pier	3,000,000.
The railway central station	2,000,000.
Water works plants and pipes, etc,	7,600,000.
Sewage, etc,	7,000,000.
Municipal Government constructions	1,000,000.
School domitories	700,000.
Airdrome	200,000.
Residences for government employees and common people	6,000,000.
Total	$51,800,000.

Where the Funds Come From

From the above, it is clear that the construction of Nanking requires 50 million dollars. To be sure, this is not enormous, in view the fact that it is for the construction of a Capital for China. It is proposed by the Reconstruction Committee that out of 50 million dollars, the provinces are to be jointly responsible for putting up two-fifths, leaving three-fifths to be raised by issuing bonds. It s further suggested that the following method may be helpful for raising the sums required for the construction. That is, that for all construction for the Central Government, the Central Government would be required to raise the funds itself. For all construction for the Municipal Government, the Municipal Government would be required to raise the sum itself. For such constructions as the harbor, and airdrome, the Central Government would be held responsible for raising the funds, either by issuing bonds or securing the funds from the railway revenue. For such constructions as the building of roads, opening of parks, etc. the peoole who would receive the benefit afterwards, as a result of the development, would be held responsible for raising part of the funds, the Central and Municipal Governments making up the remainder. By this "division method" of raising funds, it is hoped that the financial difficulties of the reconstruction will be solved.

Nanking, February 15, 1930.

National Board of Health Adopts Five Major Resolutions

Following a three-days' meeting the National Board of Health wound up its business on February 11 at Nanking. Five major resolutions were adopted at the conference.

All problems relating to pharmaceutics and the manufacture of medicine were referred to a committee of specialists upon whose recommendation it was decided that the draft Chinese Pharmacopeia as prepared by the Ministry of Health be adopted with a few minor changes and published within three months; and further that recommendations be made to the Ministry to make a thorough investigation of the drug producing centers, to provide a central location for exhibiting native drugs, to establish a botanical garden and research institute for manufacturing drugs, to include pharmaceutical subjects in the curricula of medical schools and to train pharmaceutical personnel abroad.

Recommendations relating to industrial hygiene were made similar to the procedures already planned by the Ministry in the way of training of personnel, demonstrations and health insurance of factory employes. The training of public health visitors is to be initiated as soon as facilities are available. It was also decided that rules governing the examination of unregistered physicians and pharmacists shall be promulgated at an early date.

Recommendations were also made at the conference on the joint control of medical schools by the Ministries of Education and Health. These recommendations are to be submitted to the joint committee on medical education of the two Ministries.

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China's Opposition to League Opium Inquiry

BY R. Y. LO

The Commission of Inquiry appointed by the League of Nations to inquire into the situation of opium-smoking in the Far East is arriving, we understand, sometime this week. Ever since its departure from Europe September, it has been visiting the Far Eastern colonies such as India, Singapore, Batavia, Saigon, Philipines, Hongkong, and other territories which derive revenue from opium. The commission is composed of three persons, as the press reports. The three gentlemen are Monsieur E. E. Ekstand, Swedish Minister to Buenos Aires, Monsieur Max Leo Gerard, a Belgian banker and well-known financial authority, and Dr. Jean Havlasa, late Czecho-Slovakian Minister at Rio de Janeiro. The report which these gentlemen will make will be very interesting so far as we are concerned as well as important since the findings of the commission are to be final.

The objects of their tour are reported to have been officially defined as follows: To inquire into and report upon (1) the situation in the Far Eastern territories of the Governments which agree to such an inquiry as regards the use of opium prepared for smoking, (2) the measures taken by Governments concerned to give effect to the obligations undertaken in Chapter II of the Hague Opium Convention of 1912 and in the Geneva Opium Agreement of February 1925, (3) the nature and extent of the illicit traffic in opium in the Far East, and the difficulties caused in the fulfilment of those obligations, and to suggest what action should in the circumstances be taken by the Governments concerned and by the League of Nations.

Under Article II of the 1925 Protocol which provides that as soon as the poppy-growing countries have ensured the effective execution of the necessary measures to prevent the exportation of raw opium from their territories from constituting serious obstacles to the reduction of consumption in the countries where the use of prepared opium is temporarily authorised, the States signatories of the present Protocol will strengthen the measures already taken in accordance with Article VI of the Hague Convention of 1912, and will take measures which may be necessary, in order to reduce consumption of prepared opium in the territories under authority, so that such use may be completely suppressed within a period of not more than 15 years from the date of the decision of a Commission to be appointed at the proper time by the Council of the League of Nations.

It will be seen that whether the 15-year period during which opium smoking in the Far Eastern territories of the Powers must be completely suppressed is imminent or not will depend on the report of the Commission now on tour. But it must be noted that the Commission of Inquiry was proposed by the British delegate Sir Malcolm Delvingne who declared that "Such a Commisson would visit..... it would visit China where the existing conditions constitute one of the great difficulties which the Powers have to face in dealing with the opium subject."

Laying the Blame on China

Again, in his reply to a question on this subject in Parliament, the Secretary of State for the British Colonies in the Far East had the following to explain:

"As was explained by the British representative in his statement to the League of Nations Advisory Committee, the excessive consumption of opium in Hongkong is due to the large quantities of smuggled opium which pours into the colony from China. Primarily in the hope that it will suggest a means of solving the extremely difficult problem in Hongkong, His Majesty's Government suggested last year that the League of Nations should send a Commission of Inquiry to investigate the opium problem in the Far East and the League has agreed to do so."

A perusal of the above-quoted passage drives us to the conclusion that what Great Britain, other Colonial Powers as well, expects the Commission's findings to be is to pronounce that the stage for complete suppression within the territories of the Far East Colonies has not been reached and the blame to be laid at the door of China and the Chinese immigrants in those territories. This being the case, the reasons for Chinese protest against the coming of the Commission to China are not far to seek. Indeed, if it were not for the difficulty to understand the real motive of the Commission, the news of the coming of the Commission would have been heralded with great hilarity and welcome.

Chiefly speaking, the Chinese opposition to the visit of the Commission may be stated as follows. In the first place, whatever might be the facts regarding smuggling, it is not right that they should be used as an excuse by the Powers to evade the obligations which they undertook under the Hague Convention. Why should the Christian Nations through one excuse or another continue the opium monopoly for an indefinite period of time while the can easily fix ome approximate time limit when they pernicious opium traffic can be finally terminated. If these nations should choose to take the course of humanity, they can stop the opium business almost at any time. We have seen how the United States prohibited opium in the Philippines after the defeat of Spain. What America has done in Philippines, Great Britain can also do in India, Borneo, and her Far Eastern territories, France in Indo-China, Portugal in Macao, Holland in the Netherland East Indies, and Japan in Formosa. The prevention of Opium smuggling from without is not sufficient, it must be coupled by suppression at home.

China's Protest at Geneva

The Chinese delegation took the moral course of walking out of the Geneva Conference of 1925 in their stand that no nations which under the Hague Convention, agreed to take measures for the progressive and effective suppression of the traffic in Prepared Opium, should be entitled to have a Commission of Inquiry appointed to ascertain whether they shall at some future time undertake to perform an obligation which they solemnly engaged themselves to carry out more than eighteen years ago. The stand which the Chinese delegation to the Geneva Conference took then still represents the attitude of the Chinese people today.

Moreover, is it fair to expect that China, an indepenlent nation should be willing to permit an International Commission of Inquiry as such to pass final judgement upon the question whether the measures adopted by her for the suppression of the poppy have reached such a stage as to remove the danger of opium smuggling from China? That would be tolerating foreign interference with the domestic affairs. No self-respecting nation would do that. Indeed, it was questioned and even objected in the Geneva Conference by delegates other than the Chinese themselves that such a Commission to enquire into the internal condition of China would be highly inadvisable. Mind you, this opinion was voiced at the time when the Commission was proposed. Hence it would be more correct to say that the Chinese opposition to the coming of the Commission of Inquiry was a foregone conclusion and expected than to say that the Chinese should now oppose.

Lastly but not in the least is the reason that the scope of inquiry should not be confined to opium alone and that the territory under investigation should include all the drug producing and manufacturing nations. For as a matter of fact, China's policy of absolute prohibition has been seriously hindered by the enormous amoun' of foreign manufactured morphine, heroine, cocaine, and other narcotic habit-forming drugs which are being smuggled into China from time to time. That this is true, one need only to read in newspapers about the frequent seizure of the large amount of narcotics made either by the Customs or by the Post Office.

The Curse of Narcotics

According to a recent statement given out by the National Anti-Opium Association that inversely as the evil practice of opium-smoking is on the decrease, the extent of the illicit traffic in, and the use of, narcotic drugs, such as morphine, heroin and cocaine, is ever on the increase. This state of affairs is found in practically all provinces where the new rigid suppression regulations are being enforced. The provinces that are affected most by morphine, heroin and such other narcotic drugs include Manchuria, Hopei, Jehol, Shansi, Shantung, Anhui, Hupeh, Kiangsu, Chekiang, Fukien and Kiangsi. And these pernicious drugs, let it be noted, are smuggled into China from foreign countries, practically all of which are signatory nations to the Hague Convention of 1912, and some to the Geneva Convention of 1925, in spite of the fact that both Conventions provide for the strict limitation of narcotic drugs to scientific and medicinal purposes. It is only fair and right to ask that if it were the alleged complaint of increase in the illicit traffic of opium in the Far East that demands an inquiry by the experts of the Commission why not extend the scope of investigation to include the narcotic drugs which are increasingly finding their way, illegally, into China from abroad.

Now, since the Commission has already come to the Far East under the instructions of the League and is here right in our midst, we could not help but give our highest respect to the individual members who are men of achievement and technical experts. Nor could we refrain from welcoming them in their individual capacity as tourists in this city. We wish them a very pleasant sojourn while in this country and would put our service at their disposal. In addition to the foregoing, we would wish also to plead with the Commission that in their

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final report to the League, suggestion should be made to stop the opium monopoly in the Far Eastern Colonies at once without waiting the happening of something else. "There can be no question that what is poison to a man in the West is also poison to a man in the East. We have the word of science that there is no difference in the reaction to drugs in Orientals from Occidentals" says Mrs. Hamilton Wright. Again, let us quote Congressman Porter who declares that "There must be only one standard of morality for the warld and not two s andards. Not one far the West and another for the East. What is forbidden and punished with severity in Western lands must not be excused and defended and promoted in the East." It is not our place to argue whether it might or might not realise a great revenue for the Colonial Powers. But we have a right to say that human welfare cannot be held back on fiscal grounds.

Shanghai, Feb. 19, 1930.

To My Country

O China dear! my motherland!
What sorrows thou hast still to see,
What battles yet thy sons must face
Ere thou a peaceful land may be!

Ah! would that I might know how I
Could help in this thy hour of need:
I'll not delay to sacrifice
My goods, my life, my all indeed!

But weak poor creature that I am,
How little I could do for thee—
My lot forbade thy armies lead,
Or to direct thy destiny.

Yet such I have, I freely give—
All that thou wouldst demand of me:
O God forbid that I should fail
In this my duty plain to thee!

YONG YEW KIM.

Seremban, S. S. Jan. 15, 1930.

China Foundation Issues Fourth Annual Report

The China Foundation for the Promotion of Education and Culture has published its fourth report, which covers the period from July 1928 to July 1929. The report states that after four years of existence, most of which was marred by times of political upheaval and military operations, the Foundation had finally come to witness a period of comparative tranquility and orderly development. All the enterprises of the Foundation, either under direct supervision and control, or under joint auspices with other organizations, have been making steady progress during the year under review. The subsidized institutions are carrying on their various programs of activities as approved by the Foundation.

The Foundation considers it as a token of appreciation of the manner in which its funds have been managed and administered that the National Government, by a special mandate of the Executive Yuan, designated the China Foundation the Trustee for the Tsing Hua University Endowment and Current Funds. This appointment was accepted by the Board of the Foundation at its fifth annual meeting held in June, 1929.

The Foundations report points out that the outlook for educational and cultural work in China is now much brighter than it had been for the past year or two. In general, the colleges, universities and oth r institutions on its list of grant have already begun to show signs of revival from their former lethargical state. For the period under review, there was not a single instance of necessity to withhold payment of a grant except those institutions which suspended work two years ago and have not as yet sufficiently recovered to resume their original programs. From reports made by the institutions themselves and by experts on an inspection tour on behalf of the Foundation, the enrolment and instruction in most colleges are returning to normal and the programs of activities of all the scientific and educational organizations have been satisfactorily carried out. A new difficulty for colleges in Peiping however has developed as regards securing competent instructors as the removal of the national capital to Nanking has drawn away many an able teacher, either as officials of the government or as professors in colleges located in the South. But as against the loss of attraction by Peiping as a political centre the Foundation feels that this is more than made up by the ensuing quietness and complete absence of politics and it considers that in the long run this will be decidedly advantageous to the growth and development of educational work in that city.

The Fukien Coup D'Etat

BY C. T. LIANG

During the past month and a half various accounts have been given concerning the Fuchow coup d'etat of January 6 last. By one it was stated to be simply another raid engineered by communists of the Chu Teh and Mow Cheh-tung type. By another it was dismissed as just a political manoeuvre of a local nature. However, further reports which are daily pouring in tell a rather different story. Now, on the occasion of the departure for Fukien of General Chang Chun's party, charged by the National Government with investigating conditions there, it is but fitting that the truth be told.

It must be remembered that Fukien politics has for many years been characterized or rather dominated by three political factions, namely, the Navy clique, the north Fukien clique and the south Fukien cliqne. Up to a short time ago, the north Fukien clique, of which the present leader is General Lu Hsin-pang, in alliance with the Navy clique, played quite a monopolizing part in the political shapings of the province. Unfortunately, after the advent of the Kuomintang rule, the political power of the province gradually but surely slipped into the hands of its rival camp, the south Fukien clique, the present leadership of which belongs to General Chang Chen, with the Navy clique of Admirals Yang Shu-chuang and Chen Shao-kuan holding the balance. Herein lies the crux of the problem and had it not been for another circumstantial condition, generally regarded by the north clique as favorable to itself, the trouble might not have burst out so soon.

Just about January 6, the greater portion of General Chang Chen's troops was despatched to western Fukien to fight the communist bands under Chu Teh and Mow Cheh-tung, leaving only one regiment in Changchow for patrol duties. In this the north clique saw a Godsend opportunity for recovering its lost political fortunes and a coup was scheduled to occur. Secretly ordering the brigades under Lin So-kue, Cheng Kuo-hui, Kao Yi and Yang Han-lieh to capture Changchow, General Chang Chen's stronghold, General Lu Hsin-pang had indeed hoped to steal a march on General Chang and to secure the political control of the province for all time.

While this was going on, another tempting opportunity presented itself. On January 6, the fateful day, six of General Lu's political foes were to be entertained to a banquet at Cheng Pei-kun's house. With the connivance of Generals Lu Hsin-yung, Lin Chung and Sah Fu-tao, Messrs. Lin Tze-yuen, Hsu Hsien-sze, Cheng Lai-yuan, Chen Pao-ching and Cheng Sze-kuei, all members of the Fukien Provincial Government Council, and Wu Su, director of the Provincial Water Police, were taken as political hostages at General Lu's orders. Next occupying Fuchow and all strategical points surrounding the provincial capital, General Lu forcibly called a mass meeting at which resolutions charging General Chang Chen and the six political hostages with being implicated in the recent intrigues at rebellion of the Reorganizationists were adopted with apparent unanimity and presented to Admiral Yang Shu-chuang, chairman of the Fukien Provincial Government, for immediate action.

But Admiral Yang is more than a good match for the north clique. Immediately after the coup happened, he went aboard a Chinese man-of-war and memorialized the whole situation to the National Government. Upon receiving this, the National Government instructed Generals Chang Chen, Liu Ho-ting and King Han-ting to be prepared for an eventual encircling movement against General Lu Hsin-pang's forces, should the peaceful settlement put out by the Government fall short of its objective. Meanwhile, Admiral Cheng Chih-liang received orders to proceed to Fuchow on a gunboat, obstensibly to reinforce the Government forces there but actually to pave the way for a pacific solution at a time when the Government had so many hard nuts to crack on its hands, Although the six political hostages remain so far unreleased, it is safe to predict that new and rapid developments may be expected in the Fukien situation following the departure on the 12th instant of Mayor Chang Chun's investigation party for Fukien. On the other hand General Lu Hsin-pang's dream of an easy political success has not yet been realised. Whether the present situation bodes peace or war for Fukien the next fortnight will supply a sufficient index.

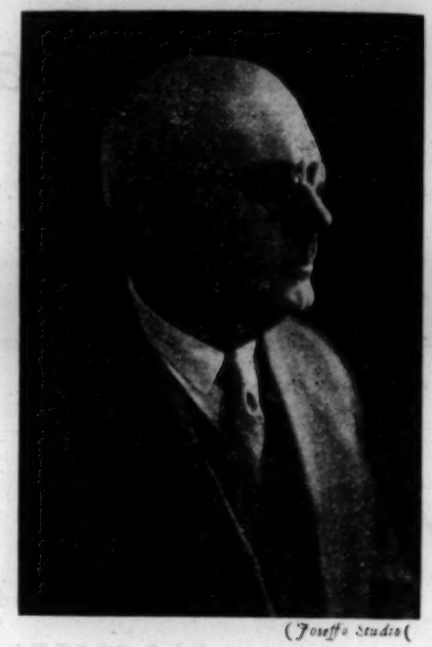
Shanghai, Feb. 14, 1930.

C. P. Friberg Dies from Typhoid

News was received from Hankow by the local U. S. Consulate-General of the death on January 23 of Carl Peter Friberg, a well-known resident of Loyang. Mr. Friberg was taken ill with typhoid fever on Jan. 22 and despite immediate medical attention died the following morning. He leaves a wife, Mrs. Nelly Friberg, of Gustavus Adolphus College, Minnesota and a daughter, who is also in America.

"Best Known Man in North Manchuria"

George C. Hanson, American Consul in Harbin, popularly known as the "best known man in North Manchuria," departed last week for his home in the United States where he hopes to visit for several months. It's his first vacation in several years. Last year, just as Mr. Hanson was planning to return home on leave the Sino-Russian complications over the Chinese Eastern Railway developed and as a result Mr. Hanson was forced to remain in Harbin until the trouble was adjusted. Due to his knowledge of the Chinese and Russian languages, Mr. Hanson has become an authority on the North Manchurian and Mongolian country from the standpoint of both politics and economic development.



(Jouffe Studio)

Mr. George C. Hanson

Mr. Hanson is a native of Bridgeport, Conn., and a graduate of Cornell University in Civil Engineering. After engaging in commercial and engineering enterprises, he was appointed a student interpreter attached to the American Legation in Peiping in 1909. In 1911 he was appointed deputy Consul-General at Shanghai and later served at consular posts at Chefoo, Dalny, Newchwang, Tientsin, Swatow, and Chungking. He was appointed Consul at Harbin in 1921. In 1924 he was made a "class five" Foreign Service Officer.

Haiho Conservancy Commission Abandons New Taku Bar Channel

The Hai Ho Conservancy Commission at a recent meeting held at Tientsin decided to abandon the attempt to make a new bar channel and instead to continue the existing channel across Taku bar and to dredge it to a deeper depth. The idea of a new channel was abandoned because of the greatly increased expense which would have been necessary to overcome difficulties which had developed since the idea was first adopted. Among the reasons which caused the Commission to decide against the expense which the new channel scheme would entail are the decline in its revenues, the depreciation of silver and the increased cost of materials and labor.

The following resolutions were passed:

1.—To abandon the attempt to make a new Bar Channel and to establish the existing Bar Channel as the permanent channel.

2.—That the questions of the purchase of an additional Bar dredger, and of the improvement of the bar channel by other structural works be brought up again for consideration after further study and when circumstances, financial or otherwise, dictate.

3.—That the materials used in the construction of the new channel dyke be left where they are until it is advisable to dispose of, recover or to use them in other approved works for the benefit of the permanent bar channel.

Basel Missionary Released on Payment of Ransom

News comes from Kaying, Kwangtung, that a German missionary named Klipper of the Basel Mission, one of three missionaries in that district captured by bandits, has been released, following the payment of $5,000 ransom, of which the Chinese authorities paid half and the Mission the other half. Two other members of the same Mission, Fischle and Walter, (the latter a Swiss) are still in custody. The bandits were willing to release Fischle at the same time as they did Klipper, but as Walter was still being held for more ransom Fischle decided not to desert him.

New Members of the Family STREAMLINE

These new members of the Parker Duofold family greet the world today to find themselves the center of interest in the smart style windows.

Made of Non-breakable Permanite—28% lighter than rubber—they are quick and light as darts. Jewel-like in luster, color, and design—jade, Chinese red, mandarin yellow, lapis blue, jet and gold, and *modern* Black and Pearl—all with flashing black tips.

Non-stop writing instead of frequent refueling of the pen, because it has 24% more ink capacity than average, size for size. A pen that writes with cheerful obedience because it writes with *Pressureless Touch!*

You can't afford to keep an old pen now, or buy some second best.

So visit the nearest pen counter—see these Streamline styles—try Pressureless Touch. Look for the imprint, "Geo. S. Parker—DUOFOLD," so flattering imitations can't deceive you.

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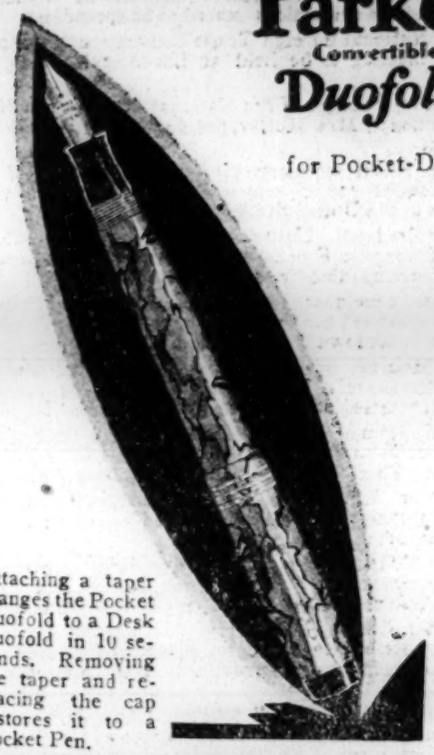

Attaching a taper changes the Pocket Duofold to a Desk Duofold in 10 seconds. Removing the taper and replacing the cap restores it to a Pocket Pen.

Shanghai Observes Washington's Birthday With Ball

Washington's Birthday was observed in Shanghai this year with even more enthusiasm than in past years. The event of the day was a magnificent ball at the Majestic Hotel, at which more than 600 guests were present. The ballroom was elaborately decorated and illuminated for the occasion, with the Stars and Stripes in great profusion. Each of the 48 states was also represented by its flag. The ball was officially opened by Judge Milton D. Purdy, president of the committee for the observance of the Birthday, assisted in the absence of Mrs. Purdy by Mrs. Cunningham. In addition to members of the Birthday committee, Admiral and Mrs. T. T. Craven assisted Judge Purdy and Mrs. Cunningham in receiving the guests. Every foreign consulate was represented and also many military and naval representatives were to be noted, among them Chinese. The ball was held under the auspices of the American Company, Shanghai Volunteer Corps, and was the twentieth event of its kind in Shanghai. The American Co. furnished exceptionally brilliant decorative and lighting effects this year, having had the able assistance of representatives of the American Troop, S. V. C., the American Chamber of Commerce, the American Club, the American Association and other American organizations.

Mei Lan-fang Scores Notable Success In Washington, D. C. Premiere

According to a *United Press* dispatch from Washington, D. C. on Feb. 14, Mei Lan-fang, the famous Chinese actor, scored a notable success in a premiere before a selected group of 500 given under the auspices of the Chinese Minister to Washington. The affair was one of the outstanding social events of the season.

Among the guests were Vice-President Charles Curtis, Secretary of Interior Wilbur, Secretary of Commerce Lamont, Asst. Secretary Janckhe, together with their wives; Mrs. Woodrow Wilson; many diplomatic representatives and their wives, including the Ambassadors or Ministers from Japan, France, Germany, Italy, Spain, Chile, Cuba and Turkey; and many Senators and Congressmen and their wives.

CUSTOMS NOTIFICATION No. 1179

In continuation of Customs Notification No. 1178 announcing that, from the 1st March, 1930, the rates at which currencies would be accepted in payment of duties expressed in the Customs Gold Unit would be published daily and be based on the official rate quoted by the Exchange Banks at the opening of the market at 9.30 o'clock, the public is hereby notified that the Ministry of Finance has directed that the rate to be used for calculating the local currency equivalent ot the Customs Gold Unit will be the daily Gold Dollar T. T. rate.

I have also to notify the public that, in the event of a suspension of the publication of rates owing to an Exchange Bank holiday (which is not at the same time a Customs holiday) the rate which will be followed by the Customs will be the opening rate published by the Exchange Banks on the day prior to the bank holiday.

W. R. Myers
Commissioner of Customs,

CUSTOM HOUSE,
SHANGHAI, 27th February, 1930.

Men and Events

The Foreign Y. M. C. A. of Shanghai held a dinner dance February 28.

Cases of meningitis have occurred recently at Wuhu, on the Yangtze, and the epidemic is stated to be spreading.

The U. S. National Foreign Trade Convention announces its forthcoring meeting to be held at Los Angeles, May 21, 22 and 23.

R. M. McLay, manager of the National City Bank of New York, accompanied by Mrs. McLay, has departed from Shanghai for Harbin.

George A. Fitch, secretary of the Foreign Y. M. C. A. returned to Shanghai end of last week after an absence of several months in the United States.

Roger C. Tredwell, United States Consul General in Hongkong, left there on February 18 for Australia, on promotion. He was accompanied by Mrs. Tredwell.

V. G. Lyman, a member of the Shanghai Municipal Council who had been confined for some days at the Country Hospital with a nervous breakdown is progressing satisfactorily.

Dr. Paul Monroe, professor of education in Columbia University, is due to arrive in China again in May in connection with the annual meeting of the China Cultural Foundation.

A party of German merchants and industrial leaders are *enroute* from Berlin to China to study industrial and commercial conditions. They are due in Hongkong about April 1.

T. V. Soong, Minister of Finance, has announced that the Chinese Government has decided not to impose an import duty or other import restriction on silver.

Tung Wen College will hold its twenty-sixth commencement day exercises on Sunday morning, March 2, at ten o'clock in the Assembly Hall, 100 Hungjao Road, Shanghai.

Dr. C. C. Wu, Chinese Minister to Washington, has been appointed by the State Council as chief delegate of the National Government to attend the International Law Conference at the Hague.

In a Collier's "radio hour" talk on China delivered in America recently Sterling Fessenden, Director General of Shanghai, was referred to as "the outstanding American in China."

C. M. Ludwig Albert, the new Norwegian Minister, arrived in Shanghai last Friday by the s. s. *Empress of Australia* and presented his credentials to President Chiang Kai-shek at Nanking on Monday.

The Shanghai American School observed the birthday of George Washington by exercises held in Community Church. Dr. Herbert Adams Gibbons, of Princeton, New Jersey, delivered the address.

Fearon, Maitland and Shaw, exchange brokers, who supply the weekly exchange information appearing in *The Review*, have issued a graphic colored chart showing the silver fluctuations during the year 1929.

Paul Jernigan, manager of the Peking office of the Standard Oil Company, with Mrs. Jernigan and their son, Paul Jernigan, Jr., will leave Peking early in April *en route* to the United States and England on a holiday.

Mr. and Mrs. Charles F. Hauss of Brussels announced the marriage of their daughter Thelma on January 9 to Guiseppe de Finelli, an architect at Milan. Mr. Hauss was formerly the representative for the American Radiator Co. in China.

Kirby Page, well-known lecturer, author and world traveller, will speak before the Pan-Pacific Association at a tiffin on Monday, March 3. His address will be on "Movements Towards International Peace and National Defence."

A *Kuo Min* report from Harbin states that the Soviet Government has floated a loan of 50 million roubles for the expansion of the Soviet Air Force, part of which is to be stationed permanently along the Manchuria-Siberia border.

A. Hulusi Fuad-Bey, Charge d'Affaires of Turkey, arrived in China from Angora end of last week. He made the trip *via* the United States. He has in the meantime gone to Nanking to discuss with Dr. C. T. Wang the Sino-Turkish treaty.

The *Shanghai Times* during the week printed a statement from its London correspondent stating that there has been a serious drop in recruiting for the British Territorial Army, the decrease being sufficiently marked to cause uneasiness in official quarters.

Dr. C. T. Wang, Minister of Foreign Affairs, and the Consul-General for Great Britain, France, Japan, Italy and the United States, were guests at the monthly dinner of the American University Club at the American Club, Shanghai, February 28.

The Community Church will hold a special service of intercession for naval disarmament, Sunday, March 2, at 11 a.m. Kirby Page, who has just arrived in Shanghai in the course of a world tour, will occupy the pulpit.

A ministerial order was issued at Nanking February 20 by the Ministry of Foreign Affairs to Ling Ping, Chinese Minister to Cuba, instructing him to open negotiations with the Cuban Government for the conclusion of a new Sino-Cuban treaty.

The death occurred in Shanghai February 27 of Harry Ollerdessen, a member of the Stock Exchange. He was an American citizen, born in Shanghai, and was one of the few Far Eastern athletes who was an expert in both American and British games.

T. J. Cokely, assistant general manager of the Dollar Company offices in Shanghai accompanied by Mrs. Cokely, departed for San Francisco by the *President Lincoln* end of last week. Mr. Cokely will become associated with the home offices of the Dollar Line in said city.

Chinglum Frank Lee, formerly Minister to Mexico, was sworn into office as Vice-Minister of Foreign Affairs at Nanking February 25. He stated that he was an ardent follower of Dr. Sun Yat-sen and would do his best to assist Minister C. T. Wang to abolish the unequal treaties.

A *Kuo Min* message from Nanking states that the Ministry of Foreign Affairs has been instructed to lodge a protest against the action of the new Governor of the Straits Settlements, Sir Cecil Clementi, who upon his arrival from Hongkong ordered the immediate dissolution of all branches of the Kuomintang Party Headquarters.

R. J. Cromie, editor of the Vancouver *Sun*, comments on the currency situation in China by saying that his opinion of what is wrong with the buying power of China and India is that, like a man whose wages have been cut in quarter, the Chinese token of money, silver, is down around forty-five cents an ounce, whereas it should be up around $1.53.

The American naval transport *Chaumont* has returned here and will remain until Monday, March 3. On that date the vessel is due to sail for the United States, taking with her nearly 180 men of the Fourth Marines. Among those who are leaving is Ralston J. James, associate editor of *Walla Walla*. He is leaving the Marine Corps upon his arrival in America.

Among the passengers on the round-the-world liner *Empress of Australia*, which called at Shanghai last week, was Syed M. Alsagoff, head of a large real estate and business house in Singapore. Mr. Alsagoff is stated to be a direct descendant of the Prophet. He has for many years been identified with the control of the Mohammedan pilgrim traffic between Malaysia and Arabia.

A *Reuter* dispatch from London on February 19 stated that in the House of Commons Mr. Henderson regretted that he was unable to disclose his instructions to Sir Miles Lampson regarding the abolition of extrality in China while negotiations were progressing. Mr. Henderson pointed out that he had already undertaken to lay all treaties before the House and have a discussion on them before ratification.

A recent dispatch from San Francisco in the *Shanghai Times* stated that Evelyn Tong, the 19-year old daughter of Sing Fat, has filed suit against Lu Yi-tao, naming him as the father of her four-months' old daughter, Pauline and asking for G$100 monthly for the support of the infant. The plantiff claimed that the defendant had promised to marry her. Both are members of families prominent in social circles in San Francisco.

It is reported that General Chang Tsung-chang, whose misgovernment of Shantung drove millions of the Chinese in the province to migrate to Manchuria, has taken to himself a wife in Beppu, Japan, where he has resided since his star waned in China. The bride is Mrs. Chang No. 25, so the general will not feel lonely, though far from his native land. He has much more liberal ideas as regards matrimony than one-at-a-time men like Judge Lindsay.—*Japan Chronicle.*

Miss Smith Withdraws Her Candidacy

Voters in the Shanghai municipal elections on March 3 and 4 will not have an opportunity for voting for a woman candidate after all, owing to the withdrawal of Miss A. Viola Smith's candidacy. Miss Smith announced the withdrawal of her name on Thursday afternoon, Feb. 27, following receipt of a cable from the U. S. Department of Commerce at Washington indicating that it would be "undesirable" for her to be a candidate owing to the fact that she is an employe of the U. S. Government. Miss Smith is U. S. Trade Commissioner at Shanghai. Miss Smith's announcement of her withdrawal reached the office of *The Review* too late to make a correction in the editorial pertaining to the election which appears on Page 4 of this issue, due to the fact that those pages already had been printed. However, the withdrawal of Miss Smith's name does not alter the sense of the editorial discussion.

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NANKING ROAD

Foreigner to Serve Jail Sentence in Japan

In an editorial which appeared in *The Review* on Feb. 15 it was stated that since the abolition of exterritoriality in Japan, no foreigner had ever served a jail sentence in the Island Empire, the practice being to deport foreigners convicted of crimes committed in Japanese territory. A report which appeared in the *Japan Times* on Feb. 17 indicated that the long standing practice of deporting foreigners is now to be changed, the first foreigner, Michael Bult, alias Alexander Karlrich, being sentenced to a two-year term in the penitentiary. Bult received his sentence on Saturday, Feb. 15 in the Tokyo District Court. Judge Turumi, who handed down the decision stated that Bult's case was most serious as it had been proved that he arrived in Japan for the specific purpose of swindling. His method of swindling earned him the title of "sleight-of-hand" thief, his depredations being committed in Tokyo and Osaka. He was arrested in October last year and since has been in jail while his case was being investigated. Bult raised a disturbance in court when his sentence was announced and asked permission to see his wife before beginning service of his term. This was denied.

Finnish Women Missionaries Captured by Bandits in Kiangsi

Three women missionaries of Finnish nationality, Misses A. A. Hedengren, E. E. Ingman and E. Cajander, were captured by bandits near Kian, Kiangsi province, on February 3, details of the incidents having only recently been received in Shanghai. They were travelling by boat, three miles below Kian, when they were captured. While the boat was proceeding the captain said that he was going ashore, as, if he did not do so, he would certainly be killed later on. When he went ashore a party of bandits promptly stepped out from ambush and waved flags, shouting to the boat to stop. As it came close to the shore again, bandits jumped aboard and seized and tied up the cook, who was released a few minutes later, when Miss Ingman intervened on his behalf. The gang promptly tied her up instead.

Yangtsze Rapids Mail Line Meeting

A profit of 22 percent was shown by the Yangtsze Mail Line Fed. Inc. U. S. A. for seven months of 1929, according to the report issued at the general meeting of the company held at the offices, 12 the Bund, on Thursday, Feb. 20. Out of this a dividend of 10 percent was declared while 10 percent was declared as a depreciation reserve. The balance of the profit was carried forward for 1930.

Messrs. Lansing Hoyt, Chester Fritz and J. C. Hoyt were elected as directors to serve for one year while the firm of Thomson & Co. were retained as auditors for 1930 and the law firm of Fleming, Franklin and Allman retained as the firm's attorneys. The firm is a subsidiary of the Yangtsze Rapids Steamship Company.

Famine Relief Workers Procced to Kansu Province

G. Findlay Andrew has been appointed by the China International Famine Relief Commission director of relief operations for Kansu, with W. N. Ruhl as assistant director. Mr. Ruhl has had twenty-five years' experience in Kansu, and is particularly qualified to deal with the many practical problems of transport and organization which will arise. Mr. Andrew and his party are already enroute to their field. They are driving by motor to Kansu, going through Sian, taking along with them necessary supplies for the trip.

Shanghai Restaurants Increase Prices 20 Per Cent

The caterers and restaurant proprietors of Shanghai have decided to increase their prices by twenty percent, the raise being made necessary chiefly through the decline in the value of silver. A large proportion of the ingredients of meals eaten by foreigners in Shanghai are imported. It was pointed out by one Shanghai restaurant man, for example, that the only thing in the coffee that he supplies that was not imported is water, and even that was purified and cooled by imported chemicals and appliances.

New Books of Interest in the Far East

Popular Edition of San Kuo

San Kuo, or Romance of the Three Kingdoms (Popular Edition), translated by C. H. Brewitt-Taylor, Kelly and Walsh, Limited, Shanghai, 2 volumes, $5.

The most famous book of Chinese fiction has at last been put out in a popular edition in English, after having been available to the English-reading public in the standard edition since 1925. The publishers, Kelly and Walsh, Limited, had in mind the fast-increasing number of Chinese who read English, particularly those who would be interested in reading in English novel form the famous historical romance known so well by all Chinese. There is another class of reader to which this popular edition will appeal — the many foreigners who have read parts or all of the San Kue Chih Yen-i in connection with the study of the Chinese language.

The Romance of the Three Kingdoms was written by Lo Kuan-chung, of the Yuan Dynasty (1260-1341), and describes the events in China during the period of 168 to 265. The translator quotes Wylie's decription of the book, in the following words:

"The plot, which is founded on the historical events succeeding the decadence of the house of Han, is wrought out with a most elaborate complication of details. Following the course of events from the imbecile reign of Ling Ti of the Han, the tale opens with an account of the insurrection of the 'Yellow Caps,' during which Lui Pei, a descendant of the Imperial Family, enters into a solemn compact with Kuan Yu, now the diefied Kuan Ti, God of War, and Chang Fei to aid each other till death in their efforts to uphold the falling house. The fortunes of Liu Pei are traced through a series of reverses, till he assumes the royal power, and the empire became divided into three states, Wei, Shu and Wu. Tyranny and bloodshed mark the narrative for nearly a century, till the usurper Ts'ao Mao of the Wei is deposed by his minister Ssu-ma Chao, whose son became the consolidator of the empire, and founder of the Tsin dynasty, being the Wu Ti of history."

San Kuo, in each of its 120 chapters abounds in thrilling situations, both physical and mental. Mr. Brewitt-Taylor has been most successful in the use of a terseness of style similar to that used in the original. The life, customs, beliefs and fears of the people of the time depicted are admirably set forth. To attempt to describe separate episodes is too great a task. The popular edition is within the reach of all, and this dramatic masterpiece should be read, for reading is enjoying.

M. V.

Frontier Stories—Some American "Bad Men"

Wild Men of the Wild West, by Edward L. Sabin; Thomas Y. Crowell Co., New York, 1929; illustrated, G$2.50.

A readable book of biographical sketches of frontier life in America, from the time of the American Revolution until civilization had spread to the Pacific Coast and to the Southwest.

One is told of the "Wild West" when the locale was the Allegheny Mountains, and the settlers were flowing West only to find the desperado at his worst, in the Lower Ohio Valley. The author then traces the struggle to bring law and order as civilization spread Westward, by giving the stories of the careers of famous bandits, river pirates, gunmen, thieves.

Chapter headings include: The Terrors of the Old Frontier; The Bullies of the River; The Pirates of the Gulf; Wild Days in California; Bringing the Law to the Northwest; Taming the Road Agents; Gunlaw on the Border; Wild Women, and Wild Red-Men.

Perhaps the most colorful chapter is one on Wild Women, and the activities of Belle Starr and Calamity Jane. These two outdid many of the men in their lawless escapades, but they, too, succumbed to law and order.

M. V.

The Shanghai Raw Silk Market

A Brief Survey of the Shanghai Raw Silk Market, by Ralph E. Buchanan. Published by the Silk Association of America. 1929. 42 pages text, 32 pages statistics,

Business usage and practice have been looked upon by Chinese business men as "trade secrets", which have been carefully guarded and should not be divulged to the outsiders. This prejudice prevails among all classes of business men, no matter whether he is a big captain of industry, or an owner of a small exchange shop. Therefore it is exceedingly hard for any one who attempts to seek information from them, unless one has sufficient patience to learn bit by bit through his long association with them. Mr. Buchanan, through his long connection with the Shanghai International Testing House, and constant contact with Chinese silkmen, has had the opportunity of learning all the details pertaining to the silk industry at their source—an opportunity which no other foreigners can possibly have. His long experience and profuse knowledge have made him competent to write something to in form the outside world of the methods of running silk business in China. His new book, the Shanghai Raw Silk Market, though it confines its discussion to one phase of the subject, contains much reliable information, and its statistics proves especially valuable, as many of the figures can not be found elsewhere.

While admitting that it is a good volume, the reviewer yet thinks that the writer has made some unnecessary omissions. His book is primarily written for the American public, and therefore his discussion on the Cocoon Markets (pages 6 and 7) would be made clearer, if maps indicating the location of different districts were inserted. Moreover, many of the tables in the section of Statistics will be made more understandable, if they are supplemented with some graphic representations. As his volume was prepared in 1928, some of his statements should be modified in consequence of the new developments. The writer said (page 6), "In Central China the spring crop of cocoons is the only significant one because of its quantity and quality. The yield from the summer crop is small and the autumn crop is without importance". But in 1929 the production of the autumn crop at Wusih, the biggest cocoon-producing center of Central China, was ten times as big as that of 1928, and through further promotion and education among the farmers the autumn crop will soon assume a place of importance in China's silk industry. Again he said (page 8), "The price of dry cocoons fluctuates readily following the trend of raw silk prices." This statement is not always true and had its exception in 1929, when the price of dry cocoons, owing to the poor harvest of spring crop, went up out of proportion to that of silk. Steam filatures of the interior used to stock a full year's supply of cocoons; this was not because those filatures could not secure dry cocoons except during the cocoon buying season, as set forth by the author (page 8), but due to other reasons. First of all, the filatures of the interior, as a rule, have been operated on a big capital, thus enabling them to buy enough material for a whole year's supply. Secondly, all the dry cocoons are either stored at Shanghai or at Wusih, both in Kiangsu province. Therefore the filatures at Siaoshan, Tanche and Huchow (all in Chekiang province) will be at a disadvantage to secure cocoons from the above-mentioned places, as taxes will be levied on cocoons passing through the border line. Thirdly all the filatures of the interior are located at the cocoon-producing centers, and owing to the cheapness of the rent, they used to have godowns on their premises. Therefore they can save much on storages and freights, if they can buy the whole year's supply at one time. As to the silk brokers (page 19), the writer has failed to mention that they, through their hongs, also advance money to the filature men of small means with silk as security. Without their assistance, many small filature men can not carry on their operation at the time of business depression. Therefore the silk broker performs a dual service, to sell and to finance.

As a whole, the volume is a good one. Therefore it is strongly recommended to those who wish to get inside information on Shanghai raw silk marketing conditions.

P. K. W.

1930 Edition of Hongs and Homes Is Off the Press

The 1930 edition of The City Directory (Hongs and Homes), published by Millington, Ltd., was put in circulation recenttly.

This year's edition of the book is undoubtedly one of the greatest endeavors ever made to give Shanghai a complete city directory and in their attempt the publishers are to be congratulated.

Aside from the usual data found in a city directory it contains a wealth of information which is useful to practically all classes of people in Shanghai.

One of the best features of the book is a street directory of some 24 pages giving a sketch of every street in Shanghai and its environs. In this way any house in Shanghai may be located within a few seconds.

Other features come under the headings of general information, classified trades and professions, hongs who's who, trade agencies and representations, homes who's who and travel and shipping. In these the book is unusually complete and accurate.

John Earl Baker to Direct Famine Relief Activities

John Earl Baker, technical adviser to the National Ministry of Raiiways, has been granted a temporary release from his duties with the Ministry in order that he may for the next few months devote his attention to the problem of extending relief to famine victims in China's northwestern territory. Mr. Baker formerly was connected with the Ministry of Communications at Peiping but since the passing of the old Peiping Government has been in the United States assisting in raising funds for famine reliet purposes in China. He returned to China early in February but owing to the seriousness of the famine situation, Sun Fo, Minister of Railways agreed to temporarily release Mr. Baker from his official duties in order that he could assume charge of the dispensing of famine relief. Mr. Baker's salary will be paid by the Ministry of Railways.

Sa uetti Photo

Mr. John Earl Baker

Mr. Baker's work in connection with the dispensing of famine relief will be under the direction of the China International Famine Relief Commission of Peiping and a newly organized American advisory committee on famine relief which functions in Shanghai and has actual charge of famine relief funds remitted from the United States.

According to a recent report of the American advisory committee on famine relief in Shanghai, the sum of money received from the United States for famine relief purposes in China amounts to approximately G.$25,000 weekly.

China Realty Co. Issues Tls. 1,500,000 Shares

The China Realty Company at its annual meeting held recently authorized the issue of the remaining unissued shares, Tls. 1,500,000.00 at par Tls. 10. This was privately subscribed within eight or nine days from the date of the meeting. A dividend of 45 per cent. was paid for the year. The China Realty Company is an organization operating a Real Estate Trust Company, and its principal function is to facilitate real estate, mortgage, financing, development and purchasing transactions.

Hastens To Mother's Deathbed

A *Reuter* telegram from Alhambra, Calif. on Feb. 19 states that the Rev. Wilmot Boone of the American Presbyterian Mission, Tsinan, was racing with time to reach the bedside of his 72-year-old mother who was dying with cancer at San Bernardino. He arrived at Alhambra on Feb. 19 by airplane from Oakland and left immediately by automobile to San Barnardino 60 miles away. The Rev. Boone's mother is the widow of Dr. Henry Boone, the founder of Boone College at Wuchang.

French Sign New Provisional Court Agreement

M.E. Koechlin, French Consul-General in Shanghai, signed the new Provincial Court Agreement on behalf of the French Minister, at the Shanghai Office of the Ministry of Foreign Affairs February 21, in the presence of Hsu Moh, chief of the Department for European and Asiatic Affairs, who represented Dr. C. T. Wang, the Foreign Minister. The new pact had been signed by the other signatories of the Provisonal Court Agreement four days previously.

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This is the only line connecting the Yangtse valley, or the "middle country", with the southern part of China. At present it is not fully completed, but one may travel as far south as Chuchow in Honan. A motor-road connecting Chuchow and Shiuchow in Kwangtuag, is now under construction and it is hoped it will be completed this year. Plans are also being made for completing the railway between Chuchow and Shiuchow but owing to the mountainous country it will be a considerable time before it can de completed. The trip between Shiuchow in northern Kwangtung and Canton can, however, be made in comfort at the present time.

Cities through which the line at present operates are celebrated for their temples and walls and gates. Changsha, with a population of 500,000, is especially worth visiting. It is called the cleanest city in China and it is noted as the only city in the south which withstood the seige of the Taiping rebels who scourged China more than half a century ago. Trade is flourishing here always, the principal articles dealt in being rice, tea, paper, tobacco, hemp, paulownia oil, earthenware and antimony. Chuchow also is an interesting city, having many temples of note. The road from Shiuchow to Canton, and thence to Hongkong, is safe, comfortable and operates with first class service.

Any Tourist Agency will gladly supply further information regarding rates, schedules, accomodations, etc. Or write direct to the Traffic Manager,

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No. 3

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A RECONSTRUCTION PROGRAM FOR 1930

(*Continued from page 14*)

ports constitute part of the program for the development of China formulated by the late party leader, Dr. Sun Yat-sen. Surveys of the site of the port in the North are at present under way under the auspices of the Commission while those of the latter have already been completed. Actual construction of the proposed harbors, however, cannot be started until all necessary preparation are carried out.

The location of the projected Northern Port is about midway between Taku, near Tientsin, and Chinwangtao, about seventy miles from the former port, at a point nearest to deep sea water which makes it an ice-free port in winter. In accordance with the scheme of the late Party Leader, the harbor will be connected by rail with the hinterland, thus forming the outlet for both Manchuria and Mongolia. Indeed, the potentiality of the projected port in the North cannot be over-estimated since it will naturally be the logical and ideal port of exit not only for the northeast but also practically the whole of North China as the Tientsin harbor is far too shallow to accommodate any ocean vessel. Its proximity to the Kailan coalmines also makes it the most inconvenient exit for the coal destined for the south.

It is needless to go into details of the Commission's plans in regard to the proposed construction at present, suffice it to say that as soon as the surveys are completed, work on the general outline of the port, such as the building of the breakwater, the determination of the location of docks and wharves and the routes of various railway lines connecting the port with important neighboring cities will be immediately commenced.*

*A Kuo Min dispatch from Nanking, dated Feb. 17, says:

To facilitate communication between the projected Great Northern Port and various important cities in the North, the Preparatory Office for the construction of the Great Northern Port has formulated a scheme for the building of four Railways connecting the projected Port with the Government Railways in Manchuria and North China in accordance with the program of the late party leader. The proposed Railways will all branch off from the Port and

1. passing through Loting and crossing the Luanho, connect with the Peiping-Liaoning Railway;
2. passing though Tangshan and crossing the Peiping-Liaoning Line, join with the Peiping-Suiyuan Line;
3. taking a southward course to Tientsin and across Central Hopei via Tsangchow and Shihkiachwang, connect with the Chengting-Taiyuan Railway;
4. proceeding westwards along the coast, join with the Lung-Hai Line.

The surveys of the proposed Great Eastern Port have already been completed and the task of the Commission during the current year in this connection will be to organize a Preparatory Committee to determine the detailed procedure for the carrying out of the project.

The location for the projected Eastern Port is on the Hangchow Bay, to the south-west of Shanghai. Its superiority to Shanghai lies in the fact that there is an average depth of six to seven fathoms at low water throughout the entire year and the absence of any silt-carrying water-way obviates any danger of the harbor being constantly silted up. However, it is yet too early to discuss the question of actual construction works. The extreme suitability and great advantages of the Hangchow Bay as the site for a future great harbor for China, perhaps comparable to New York, is well recognized by the authorities who are paying the closest attention to various necessary preparations aiming at the realization of the project.

As regards the construction of the fishing harbor at Sammen Bay on the Chekiang coast, east of Taichow, the entire plan has been formulated by the Commission and approved by the Central Authorities. This comparatively simple construction makes it possible for the Commission to commence the work in the immediate future.

Coal Mining

Under the auspices of the Commission, the Changhsin coal mines which were closed for some time were recently reopened and are now being operated satisfactorily.

The Commission is also shortly opening new coal mines in the Huaiyuan District in Anhwei Province. A staff of engineers together with the necessary colliery equipment has been ready for some time and it is expected that as soon as conditions along the Tientsin-Pukow Railway become normal, work will be commenced without delay.

The sole aim of the Commission has been the realization of the various Reconstruction projects advocated by the late party leader. Its activities will always be confined to those undertakings which directly or indirectly concern the welfare of the people. It will adopt scientific methods in the administration of various affairs. Efficiency and honesty of its staff shall be the motto, and *RESULT*, its justification for existence.

Hangchow, Feb. 25, 1930.

From the Chinese Press

News items pertaining to Chinese politics and general affairs appearing under this heading, are taken chiefly from the daily reports of the Kuo Wen (independent) Kuo Min (Nanking official) and from translations of articles and dispatches appearing in the local Chinese press.

Thursday, Feb. 20.—The Central Party Headquarters announces a total of seven annual holidays, exclusive of Sundays, for all factories.—Law submitted to Legislative Yuan providing more severe punishment for Kuomintang members and Government officials when found guilty, than to laymen.—State Council orders Executive Yuan to prohibit the sale of the History of the Ching Dynasty.—Li Lu-chao, magistrate of Chungshan Model District in Kwangtung, appointed Minister to Mexico.—Chiang Kai-shek dispatches another telegram to Yen Hsi-shan reminding him of the inconsistency of his mobilization while at the same time talking of resigning and going abroad.—Liu Kwang is ordered as Chiang Kai-shek's personal representative to confer with Chang Hsueh-liang over the political situation.

Friday, Feb. 21.—The Ministry of Foreign Affairs refuses permission for a Tokyo-Shanghai commercial air service until after a new commercial treaty has been concluded.—New Sino-Czechoslovakian Treaty submitted to the Legislative Yuan for approval before ratification by the State Council.—For the first time in the history of China's railway administration 70 women candidates sat today for appointment to various staff vacancies in the Kiao-Tsi Railway Administration.—The Ministry of Foreign Affairs instructs the Chinese Minister to Cuba to open negotiations for a Sino-Cuban Commercial Treaty.—It is announced that beginning with 1932 Chinese scholars will be able to sit for examinations for Master's and Doctor's degrees in China.—Chiang Kai-shek instructs that a careful investigation be conducted into the assassination of Wang Loh-ping.

Saturday, Feb. 22.—The Ministry of Foreign Affairs is instructed to open negotiations with the British Minister for the early remission of one-third of the entire returned British Boxer Indemnity for the conservancy of the Huai River.—Reports received that the Soviet Government has floated a 50,000,000 rubble loan for an air force which shall be stationed permanently on the Manchurian-Siberian border.—Nelson Johnson, American Minister, arrives in Nanking from Peiping.—Draft regulations governing marriage and funeral ceremonies forwarded to the Executive Yuan for consideration and enforcement.

Sunday, Feb. 23.—The Legislative Yuan adopts regulations governing the organization of the office of Comptroller-General, which will be the highest accounting and auditing organ of the country.—Ten thousand persons attend a mass meeting at the Public Recreation Ground at Chinkiang for the promotion of the consumption of native products.—For purposes of economy a reduction of one-third of the staff of Nanking Municipal Government is ordered.—It is reported that Sir Cecil Clementi, the new Governor of the Straits Settlements, has ordered dissolution of all branch Kuomintang Party Headquarters.—Chu Shao-kwang resigns as acting Minister of War, member of the National Opium Suppression Committee and Asst. director of the Business Department of the Central Disbandment Committee.—More telegrams pass between Chiang Kai-shek and Yen Hsi-shan.

Monday, Feb. 24.—The State Council dispatches $100,000 to Honan for the purchase of food for famine sufferers.—A memorandum urging the formation of relief measures for unemployed similar to systems in Western countries submitted to the Executive Yuan.—Announcement made of the extention of air service to Hankow next week.—City of Wusih selected as the location for the future national industrial center of China.—The new Norwegian Minister, L. C. M. Aubert, presents his credentials he Chiang Kai-shek.—Severe fighting takes place between Government forces and the combined Ironsides and Kwangsi rebels in the Jungyun-Hingyi region.—The Ministry of Health announces plans for opening health examination bureaux for plague prevention purposes at important coastal ports.

Tuesday, Feb. 25.—Chin-lun Frank W. Lee, newly appointed Vice-minister of Foreign Affairs, sworn into office.—The 58th meeting of the Executive Yuan held.—In order to raise the standard of literacy the Ministry of Education announce the formulation of detailed measures for the enforcement of compulsory education.—A memorandum recommending the organization of a special military police corps for the maintenance of peace throughout Kiangsi approved.—Hunan Provincial Government Committee institutes a program of civil service reform.—Chiang Kai-shek confers awards on several

CUSTOMS NOTIFICATION

No. 1178

With reference to the Customs Joint Notification of the 20th January, 1930, informing the public that from the 1st February, 1930, Customs Duties on Imports from abroad will be collected on a Gold basis and with special reference to the paragraph stating that the rates at which currencies would be accepted in payment of duties expressed in the new Gold Unit would be officially announced from time to time, at least three days public notice being given in the event change in rates; the public is hereby notified that the Ministry of Finance has decided that from the 1st March, 1930, the rate to be used will be the official rate published daily by the Exchange Banks at the opening of the market at 9.30 o'clock.

W. R. Myers,

Commissioner of Customs.

CUSTOM HOUSE,

SHANGHAI, 22nd February, 1930.

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divisional commanders for meritorious services during the year.—In the course of a speech at the weekly memorial service Hu Han-min of the Legislative Yuan compares Yen Hsi-shan to a double-edged sword parading under the Kuomintang on one hand and at the same time ignoring party discipline.—Frank Lee appointed Vice-minister of Foreign Affairs.—Conversations started for the conclusion of a treaty with Roumania.

The Need of a Railway Line in Western China

In a lengthy letter to Sun Fo, Minister of Railways, Gen. Liu Hsiang, Commander of the 21st Army and chairman of the Szechuen Provincial Government, pleads for the construction of a railway between Chungking in Szechuen and Chinchow in Kwangtung out of the returned Boxer Indemnity funds, according to a *Kuo Wen* dispatch of February 13. In his petition Gen. Liu asks that this railway be built in preference to the proposed Changsha-Yunnan and Canton-Yunnan lines, which are in execution of the will of Dr. Sun Yat-sen.

General Liu points out that Szechuen is exceptionally rich in agricultural and mineral resources while to the west of Szechuen are Sikong, Thibet and Sinkiang, where there are rich gem and precious metal mines. He declares that from India the British have long planned a railway which would tap this rich region while the Russians have contemplated a railway from Central Asia to Sinkiang. Therefore, he reasons, the economic, political and military policy of the government depends a great deal on the construction of such a line.

Continuing, General Liu points out that the Chungking-Chinchow Railway would go through Szechuen, Kweichow, Kwangsi and Kwangtung Provinces, which would easily place these southeastern provinces under the control of the Central Government.

With Pakhoi as an outlet outside the sphere of influence of the British in Hongkong and the French in Kwangchow Bay, the line would help the Government greatly in national defence, he holds. He further shows that with the construction of such a railway the Canton-Yunnan Railway, 1,300 miles long and costing $16,000,000, and the Changsha-Yunnan line, 1,100 miles long and costing $15,000,000, could be dispensed with for the time being by the construction of the Chungking-Chinchow line, which would cost only about $11,000,000. He adds that when the latter line is completed the Government will be in a better position to build the other two lines.

In another paragraph General Liu points out that with Pakhoi freely developed under the Government's control, the native products in Szechuen, Kweichow and Kwangsi could be exported easily and at same time the over-populated districts along the coast would be relieved by giving the people a means of migrating easily into the hinterland.

With the proceeds of his proposed line Gen. Liu declares that construction of the Chengtu-Sikong Railway could be realized and the line later extended from Sikong into Thibet, thus counteracting the British attempt to run a line from India. He maintains that such a line would be invaluable both from an economic and a military standpoint.

Another angle of the proposition which General Liu mentions is the fact that when the Chungking-Chinchow line is completed the railway could be joined with the Lunghai line, thus making Haichow one of the greatest ports of the Far East and facilitating the handling of goods throughout all parts of China.

Shantung Christian U. Hospital Makes Statement on Strike Settlement

To the Editor, *The China Weekly Review.*

In your issue of February 15 there is a statement in regard to the settlement of the strike in Cheloo University which I wish to correct. We had a labor strike which lasted for more than a month, which was finally settled with the assistance of the municipal authorities. The conditions of settlement were that we agreed to take back at once about forty of the workmen who were not agitators in the strike. More than a hundred workers were laid off and they were given $3 each as travel money. All the workers involved lost a month's wages, less two days, and we have not promised to give any one an increase, except as we see fit.

The statement in regard to a Mr. Lo of the Municipality demanding that a foreigner should be discharged because he had fired on the strikers is an absolute untruth. As far as I know there is no Mr. Lo in the Municipality, and it is ridiculous to think of any one wishing to fire on these strikers.

R. T. SHIELDS, Vice President.
Shantung Christian University, Tsinan, Feb. 21, 1930.

NOTE BY EDITOR.—The information in *The Review* of Feb. 15 above referred to was supplied by the *Kuo Wen* news agency.

FAIR PLAY FOR CHINA

(*Continued from page 13*)

of many which have been dispatched with benign indifference at intermittant periods of time. The manner in which the document relating to the future destiny of China is again methodically relegated to a dusty pigeon-hole is characteristic of an institution built up by past die-hard, conservative administrations.

China's Attitude Towards British

Until Great Britain abandons this air of hesitancy the Chinese can only look upon the British as obstructionists. There is no doubt that it is Britain who is prolonging the date upon which extraterritoriality will be abolished.

As long as the present situation continues a great gulf divides us from the good will and friendship of the Chinese. Let us bury those prejudices which threaten to warp judgment and which only blind us to the fairness of China's demands. Not one single life would be lost if extraterritoriality were abolished tomorrow. Nanking has demonstrated its ability to cope with all insurrectionists and has expressed its willingness to bring its judicial system up to Western standards.

When the iniquitous treaties have been relegated to the wastepaper basket and China has been freed of Western domination then she will not hesitate to cooperate with the Occident to the mutual advantage of all concerned.

The white man has shouldered his burden for generations and responsibilities have not settled lightly upon his shoulders yet through all the centuries he has spread knowledge which has been beneficial to mankind as a whole. Some dark spots still remain. America has the burden of Mexico, Nicaragua and the Philippines on her hands; Great Britain has Africa and India to contend with, and France has the mercilessly cruel Arabs of Morrocco to guide and influence. Nevertheless, all nations can cooperate to transform China into a happy and contented nation. China will always seek enlightenment on political and economic problems in the years to come; in this the West can help the East. In the meantime let us extend the hand of sportsmanship and goodwill to the Chinese and give them a sporting chance to carve out their own salvation.

Let us as true sportsmen be fair to China and respect her desire for complete independence. As jealous as we are of our own rights and liberties we must surely respect China's point of view. Withdraw those agencies of death and destruction floating on the waters of the Whangpoo and despatch those khaki-clad gladiators to other spheres of the world's surface.

There can always be safeguards for a little time to satisfy the timid, but Fair Play For China!

Shanghai, Feb. 4, 1930.

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TIENTSIN

An Advertisement of the Chinese Government Railways

No. 2

WILL THE WAR OF WORDS BECOME A WAR OF BULLETS?

(*Continued from page 9*)

longer endure dictatorial rule which has become a mockery and parody of the Three People's Principles and negation of everything the Kuomintang stands for. The proclamation concluded with the statement that the "struggle started by Sun Yat-sen against the Manchus and the feudal militarists and reactionaries will not cease until the Nanking regime which has betrayed the Party, is decisively overthrown."

Although an order had been issuer for the arrest of Wang Loh-ping, a few days prior to his assasination, Gen. Chiang Kai-shek, as soon as the news reached Nanking issued an order for an investigation of the murder and arrest of the assassins, in which connection a reward was offered. A sum of money was also remitted to Shanghai to cover funeral expenses.

Soviet Getting Ready to Participate?

That the Soviet Russians are watching the present situation in China with the apparent object of participating was indicated in a report from Harbin on Feb. 26 which stated that the people in Hailar and Manchouli at the western end of the Chinese Eastern Railway "were again in a state of panic as a result of the sudden arrival of a detachment of Soviet troops numbering about 2,000 at a point just beyond the border adjacent to Manchouli. Soviet airplanes were seen flying over the border districts and Soviet cavalry detachments were indulging in manouvers. The Ministry of Foreign Affairs at Nanking also issued a report based on a message received from German consular officials in Vladivostok to the effect that the Soviet authorities were still holding 45 Chinese prisoners "despite the fact that the Habarovsk agreement had provided for the release of all Chinese held prisoners in Soviet territory." The National Government had lodged a protest with the Soviet authorities through the German Minister in Berlin.

Emshanoff Back on Job

The previous manager of the Chinese Eastern Railway, Emshanoff, who was arrested and deported by the Chinese authorities in Harbin last summer, has now returned to Harbin and assumed his new position as Vice-Chairman of the Board of Directors of the Railway. Shortly following his return, the *Kuo Min* news agency issued a report from Harbin stating that the Soviet management of the C. E. R. had issued another order dismissing twenty Chinese workmen from the freight car section of the workshops. The report also alleged that the Soviet Manager had now paid all of the Soviet laborers on the railway, but not the Chinese workmen. It also was stated that during recent days many Soviet Russians had crossed the Chinese border "without passports" thus openly violating the Chinese regulations. A general meeting of the shareholders of the Soviet Dalbank had been advertised for March 15, it being stated that the President of the Russian State Bank probably would be appointed by Moscow concurrently as president of the Soviet Dalbank in Harbin.

Soviet Trade Still Uncertain

A dispatch to *The Review* from a correspondent in North Manchuria stated that while most of the Soviet state trading agencies had resumed their positions in Harbin that the uncertainty of the situation was preventing a resumption of trade activities. The report stated that while it had been rumored that 100 carloads of Soviet goods scheduled for the North Manchurian market, were to be brought to Harbin, that the shipment had been held up owing to uncertaintles of the situation, the reason being due to fear on the part of the Soviet that a new blow-up might result in further losses. The report stated that the sum of 2,000,000 gold roubles had been assigned by the Soviet Government for the purpose of purchasing wool in Manchuria and North China and that the money had been remitted to V. E. Roubleff, representative of the Soviet Wool Trust at Tientsin.

Mo Te-hui to Moscow on March 15

Mo Teh-hui, Chinese president of the C. E. R. and China's chief delegate to the Moscow C. E. R. conference, who is now in Mukden, sent a telegram to Nanking on Feb. 26 stating that he was planning to proceed to Moscow on March 15. He will be accompanied, in addition to technical assistants from Harbin, by Li Shen and Tu Wei-chi, special delegates of the Ministry of Foreign Affairs at Nanking. Pursuant to a request from Gen. Chang Hsueh-liang, Hsu Hsiung-chang, former Chinese Consul-General at Vladivostok, has departed from Nanking for Mukden on his way to resume his post at the Soviet Far Eastern port.

Of interest in connection with the situation in Manchuria was a report from Mukden on Feb. 26 stating that "drastic reorganization" of the Northeastern defense forces, military, air and naval, will be undertaken immediately. It was recommended that 60 military planes from abroad would be purchased and airdromes constructed in border cities such as Suifenho, Manchouli, Fuchin and Heiho. The sum of $10,000,000 had been appropriated for the construction of new gunboats for use on the Sungari, Amur and Ussuri Rivers.

Situation at Hailar

A report from *The Review's* correspondent at Hailar, dated Feb. 14 stated that while Chinese merchants had reopened their shops in the city that the resumption of trade was awaiting the outcome of the Sino-Russian conference on the C. E. R. which was originally scheduled for Jan. 25 but now postponed to March. The Taoyin, or highest Chinese official in Hailar had sent a petition to Gen. Wan Fu-lin, governor of Heilungkiang at Tsitsihar for a subsidy of $10,000,000 (local currency) to assist Chinese merchants in resuming their businesses.

Soviet Anti-Christian Activities

The Soviet Government, according to the reports, has now extended its anti-Christian activities into Chinese territory. While the Russian orthodox church in Manchouli was not destroyed and the congregation has continued to hold meetings, the Rev. I. Isvolsky, missionary of the Russian Orthodox Church to China, was arrested by the Soviet and deported to Soviet territory. The Russian church at Chalainor station was destroyed and the prior, Rev. P. Epoff and the church-warden, were arrested and deported to the U. S. S. R. Their families are now in Chalainor in destitute condition. The church at the Chalainor coal mines was not damaged, but the prior Rev. V. Apellesoff was arrested and sent to U. S. S. R. territory. The two Russian churches at Hailar were not damaged and the clergy escaped to Harbin prior to the Soviet occupation of the town. Services are now being held regularly, but only about one third of the church membership attends owing to fear of reprisals by the Soviet. Employes of the C. E. R. particularly fear to attend church due to Soviet threat of dismissing them from their positions. The Russian watchman of one of the Ortho lox churches in Hailar was arrested and deported to Russia.

American-Oriental Finance Corporation Has Successful Year

The third annual meeting of the American-Oriental Finance Corporation was held end of last week. The report of the shares and the profits resulting from trading in stocks, bonds and debentures, and from dividends received from various companies in which it held shares, amounted to a total of $544,137.10. The total expenses for the year, including overhead, interest, commissions, etc., amounted to $316,762.15, leaving a net divisible balance of $227,374.95 out of which a dividend of 8 per cent absorbing $163,656.00, was declared, the balance of $63,718.95 being carried forward to a new working account.

The following directors were elected for the year 1930: J. Warner Brown, C. M. Bain, A. R. Hager, J. Kleffel, E. Kann, F. J. Raven and H. Sandor.

New North-China Hong List

The 1930 edition of the North-China Hong List made its appearance in Shanghai during the past week. The new edition is substantially the same as last year's edition.

The principal added feature of the new book is the addition to the already quite complete outport directory of several new cities, including Amoy, Canton, Kongmoon, Nanning, Pakhoi, Samshui, Swatow, Taiheiho, Wuchow and Yunnanfu.

Other valuable information contained in the book is the complete hong list, shipping guide, railway gaide, list of agencies, trade directory, Shanghai Who's Who, residential directory, street directory, outport who's who, outport missionaries list, missions who's who and general information including calendars, festivals, holidays, diplomatic, postal and exchange.

The book sells as usual at $10 with map or $9 without map.

Who Is to Blame About Davao?

BY PEDRO Q. PAGUIO

(The Pacific Monthly, Manila, P. I.)

SINCE the Japanese have established the nucleus of their hemp industry in Davao, their presence in that part of the country has provoked much discussion and speculation among the Filipinos. Much has since been said and written about their so-called menace, economic or otherwise. Grave forebodings of future disasters resulting from their peaceful and seemingly ominous economic invasion of the country have been freely vociferated. The writer, however, after spending some few months in Davao as a special representative of the Bureau of Labor conducting first hand field investigation among the Japanese and other plantations in that province, has come to believe that after all, if there is such a thing as a Japanese menace in Mindanao it should not be blamed on the Japanese but rather on the Filipinos and their government, most emphatically on the latter. In the following lines he shall show beyond doubt the truth and sincerity of this assertion.

The Japanese, due to pressure of necessity at home, have been raised and reared amid trying economic environment, developing thereby an extraordinary sense of economy, persistency and application to labor and a marvelous skill in eking out a living from an already overcrowded and over-exhausted soil. The same Japanese traits, carried along with them to new economic fields where competition against nature and man is not so keen as at home, have resulted on the one hand, in their material success and on the other in endless tirades laid at their doors by their weak and disgruntled economic competitors. Such, to the writer, is the true Davao situation, divested of all its concomitant frills. And if life is, after all, resolved upon the terse proposition that the fittest shall survive, what is there to prevent the Japanese in our country—and other foreigners as well—from obeying nature's law? If we admit that we are weaker than the foreigners amidst us, what right have we to live contrary to nature's decree? It is a sad fact, indeed, but fact it remains nevertheless, that in this country we have given the foreigners —not only the Japanese—all the opportunities they need for their personal enrichment. We have even discriminated against our own people in their favor. We have caressed and patronized them, only to watch them depart later loaded with the gold of our land. Yes, our proverbial hospitality has been the wonder of the world and the greatest pride of our race. Coupled, however, with our recklessness and lack of foresight, it has so far proved our own political and economic ruin.

Japanese are Prosperous

The writer, far from his nature and inclination, does not wish here to lecture his fellow-countrymen. In fact it pains him to touch upon these sore-spots of their social system and psychology. But he is here to present to them and to the world the true Japanese problem in Mindanao as he saw and studied it, and he believes in all sincerity that an honest presentation of the matter cannot be accomplished on another background.

During his sojourn in Davao for the purposes already adverted to above, the writer had inspected all the plantations, Japanese and otherwise, and interviewed all sorts of people, Filipinos, Japanese, and other foreigners, government officials, plantation owners, managers, laborers and private individuals—in fact, all who might throw light on the subject of the investigation and study. From the mass of material he had gathered, he has thus come to form his conclusion. But let the facts speak for themselves.

The Japanese plantations as a whole are prosperous, clean and well-managed. Their owners accord fair treatment to their Filipino laborers in the matter of wages and working conditions, furnishing them as a rule, sanitary homes, medical treatment and hospitalization. As a general rule, when a laborer's contract expires, he is given free transportation home or its equivalent in cash. Wages are generally based on piece work; the average earning power of each man in the hemp fields ranging between P1.20 and P2.50 a day of eight or nine hours. Christmas gifts are given the deserving, while bonus is allowed during better times. As a general rule, the Ilocanos are preferred for field work because of their hard-working and peaceful disposition. Some of the planters, even prefer to employ them exclusively. The Furukawa plantation, for instance, has 400 laborers, all but 25 are Ilocanos. These 25 are Japanese foremen. The Cebuanos, on the other hand, as a rule, are the least desirable due to their rebellious and lazy propensities. They are generally employed in the bodegas as they are found unfit for the field. The other Visayans, though not as highly desirable as the Ilocanos, are also used in field and shop work. Generally, the Filipino laborers are efficient when properly foremanned, although as to be expected, they are more or less inclined to shiftlessness and vice, especially the Visayans. Unlike the Japanese laborers, however, who almost invariably aim at economic independence after a year's work, many of the Filipino laborers have no such ambition. The Cebuanos especially, work sporadically, saving just enough for a few days' spree and then going back to work again when their savings have thus gone up in vice and dissipation. Some of the Japanese planters, in order to retain their Filipino laborers are compelled to provide them with dance halls,cockpits, and billiard parlors. And, mindful of the spend-thrift proclivities of the average Filipino laborer, his Japanese employer even looks after the protection of his family back home by retaining a certain per cent of his monthly pay to be later sent home to his family by registered mail.

Japanese Money in the Background

There are at the present time in Davao 106 Filipino plantations, 62 Japanese, 24 American, 13 Chinese and 1 Spanish, according to the figures in the office of the Provincial Treasurer. On the surface it looks as if Filipino interest predominates in Davao. This is not the case, however, because aside from the fact that only one of the Filipino plantations, the Bungabung Development Co., is successful, it is claimed that many of the so-called Filipino corporations are merely Filipino in name. Japanese capital and management are in fact running them. This is done, no doubt, to avoid the inhibitions of the land laws. Furthermore, it is claimed in authoritative and uninterested circles in Davao that it is the common practice among influential Filipino citizens, to organize corporations for the sole purpose of leasing or subleasing their holdings to the Japanese at highly remunerative terms. Private Filipino individuals are said to be engaged also in the same practice. And it is the common talk in Davao that all available public lands near the towns and on both sides of the Davao-Cotabato road are now occupied by high provincial and insular officials and other inuuential individuals. Many of these holdings are held for purposes of speculation with the Japanese. Consequently, while the Japanese land holding in Davao is officially listed at 16,990-78-82 hectares, the real figures will probably exceed that many times. Of course such practice tends naturally to the encouragement of the influx of Japanese labor and capital. Already it is estimated that at the present time there are around 15,000 Japanese in Davao alone, altho efforts are exerted to hide the true figures behind the veil of unfavorable climate and uncongenial living conditions. With such opportunities placed at their disposal, together with the fact that our laws do not restrict their immigration, would it be hard to prophesy the outcome? Thus, while we here in the north fret over the question of Japanese danger in Mindanao, our own people there are wilfully helping hasten its realization by giving the Japanese the opportunity which would have been ours.

While the gentlemen at the Legislative Building are busy passing independence resolutions or debating whether a Nacionalista is a Democrata and vice versa, and while the swivel chairs in the various offices of the executive department are squeaking in accordance with the tired contortions of the official humanity they support, the Japanese in Mindanao, either honestly or in collusion with Filipino citizens, are also busy occupying the most advantageous locations and putting in operation effective plans for the control of the hemp industry. The writer never saw a Japanese plantation which is not located favorably with reference to roads and altitude. It seems paradoxical, but it is, nevertheless, a fact that the Filipino holdings, especially those of private small planters, are usually located in the far interior where the harsh laws of economics are devastating them wholesale. This situa-

tion is explained by the fact that while the Japanese would not spare money and effort in locating themselves—their organizations preparing in advance a complete and accurate survey of available lands to be held ready for allotment to their incoming compatriots without waste of time and money concomitant to starting an enterprise—the Filipino homeseeker or planter, however, because of delays in red tape and the lack of personnel and coordination among the various government offices concerned, is forced to hook out for himself far in the interior where the chances are that he shall have probably spent all his funds before he has even cleared one hectare of his holding. And if he be lucky enough to locate himself without loss of time, again the conflict of claims resulting from the unsystematic distribution of the public lands, a situation very common in Davao, would have sent him back home, disgruntled and very much discouraged.

Japanese Are Scientific

Again, while the government of the Filipinos, by means of red tape, negligent and unsystematic handling of the land situation in Davao is thus to a certain extent instrumental in keeping its own citizen out of the field, or if already located, in forcing him to sell out or to sublease to the Japanese, on the other hand, to be subsidizing his enterprise. It is claimed that when the Casiguran Lumber Concession failed, the Japanese government helped it out with a loan of three million pesos. Furtherefore, while the Filipinos are ghost farming, or if actually engaged in working their holdings, are doing so on the hit-or-miss basis, envious of, rather than cooperating with each other, the Japanese on the other hand are applying the most up-to-date scientific farming to coax the land to yield its best, cooperating and coordinating their activities for the control of the industry. Thus, it is claimed that private Japanese financiers extend much needed loans without interest to the planters who in turn market their products through their creditors. The profits of the middleman are thus saved and both planter and financier take their shares of them. This close cooperation between producer and financier is limited, however, to home enterprises. A certain Mr. Masuda, who with the shrewdness and practical-mindedness peculiar to his race, and who has proven himself in various ways to be a sincere friend of the Filipinos, having realized the economic ill of the country in the lack of diversified industries that might afford employment to each member of a family, tried to introduce in Mindanao the silk culture industry. He had chosen this enterprise mainly because the mulberry tree thrives best in Davao and is peculiarly free from the destructive insects common in Japan. Despite this promise of a bright future for this industry in Davao, Mr. Masuda, however, had been denied financial and moral aid by his compatriots for the simple reason that such industry might in the future seriously compete against the backbone industry of Japan.

In synthesis, therefore, the perspective of the Japanese situation in Mindanao presents a problem which, if not solved in time, will sooner or later result into more gloomy complications. The continuous influx of a foreign population, strongly bound to their old country and unwilling to be absorbed by us, soon will usher in a social and racial problem that will rival that of California's. Their rapidly swelling investments looking toward the complete control of one of our most important industries will soon create economic problems with untold possible ramifications. Encouraged and strengthened by our traditional shiftlessness and dislike for labor and by the indifference of our government, the grip on us will soon gradually tighten itself until it chafes beyond endurance. Animosities will then follow in its wake, and with these, foreign government interventions, or perhaps, worse.

The Foreign Population of Harbin

According to the latest official Chinese data, the foreign population of Harbin, excluding about 80,000 Russians, included at the end of 1929, 3000 Japanese, 1,600 Koreans, 1,000 Poles, 271 French, 263 British, 136 Greeks, 112 Americans, 89 Letts, 98 Germans, 57 Czechs, 68 Belgians, 63 Dutch, 59 Roumanians, and 42 Danes. The Portuguese colony in Harbin consists, according to census, of only 1 male and 3 women, but has its own Consul, assisted by a secretary. There are also a few Italians and Hungarians, so practically all the European nations are represented in Harbin.

Japanese News Reports on Chinese Situation

The following news reports are summaries of news messages dealing with the Chinese political situation and Japanese activities in China which are distributed to the Chinese and foreign press in China by the Japanese semi-official Shimbun Rengo News Service.

Nanking, Feb. 22.—A lengthy telegram by Chiang Kai-shek to Yen Hsi-shan asks a definite answer as to the latter's position. There seems to be left no ground for compromise.

Peiping, Feb. 23.—Shansi representative Liang Ju-chu visits Mukden, consults Chang Hsueh-liang, returns to Taiyuan and confers with Yen Hsi-shan.

Peiping, Feb. 24.—A Kuangsi faction circular telegram further complicates Chinese political situation.

Nanking, Feb 25.—Chang Kai-shek orders troops on foremost front to make an advance.

Peiping, Feb. 25.—Yen Hsi-shan states that to govern the Kuomintang by force of arms is against spirit of true administration of the nation.

Peiping, Feb. 25.—Shansi and Kuominchun forces reach an understanding; Shansi troops from Yuncheng are being concentrated in Linfen and Yangchuan regions.

Hankow, Feb. 26.—Hankow so far remains quiet.

Peiping, Feb. 25.—Circular mesage issued recently by Yen Hsi-shan, Feng Yu-hsiang and 40 military leaders addressed to Kuomintang leaders calls attention to the fact that no settlement has been reached of various important state affairs.

Peiping, Feb. 26.—Kuominchun reported to have decided to take up arms against Central Government, having failed in peaceful ne gotiations.

Peiping, Feb. 27.—Feng Yu-hsiang arrives at Taiyuen, after nine months absence. Yen Hsi-shan expected to proceed to Peiping or to Chengchow shortly.

Bandit Heads Come High in Greece

A dispatch from Athens, Greece, appearing in the London *Daily Telegraph* on Feb. 4, should be of interest here in that it indicates that the prices placed on the heads of bandits is higher even than in China. The dispatch states that a famous brigand chief, Babanes, who for years had terrorized the Mount Olympus district, had been killed. His head, for which the government had offered £4,500 (about Mex. $50,000) had been cut off and was brought to Elassona in order to collect the reward.

476 Chinese Pursue Higher Education in European Countries

Statistical reports compiled recently by the Ministry of Education at Nanking show that a total of 476 Chinese students are now enrolled in various German, Belgian, English, Italian and Austrian universities as candidates for advanced academic degrees. Germany heads the list with 273 students with the other countries running in the order named. A complete record of Chinese students in France is not yet available, but it is understood that there are more Chinese students there than in any other European country.

Chinese Military Cadets in Japan

A *Rengo* dispatch on Feb. 20 states that according to an announcement of the War Office regarding the Chinese military cadets who were allowed to enter the military school this year the number totalled 90, being picked from 238 candidates. The successful candidates will be distributed to various divisions all over the country on April 1 and after passing the military training course will be absorbed by the military school.

Sun Yat-sen's Writings May Not be Sold

The Central Executive Committee of the Kuomintang has passed a resolution, according to the Chinese press, forbidding the public to sell the writings, or essays, of the late Dr. Sun Yat-sen to foreigners as they are to be sent to the National Museum for historical record.

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THE CHINA WEEKLY REVIEW

4 AVENUE EDWARD VII *SHANGHAI*

New List Received From Head Office

Saturday, February 27, 1930.

SECURITY	RATE & DATE DUE	Price	Yield %
National City Bank of New York	Stock	244	——
Argentine Government	6 % May 1, 1960	97¼	6.20
U. S. of Brazil	6½% Oct. 15, 1957	77	8.72
Canadian National Railway Co.	5 % Oct. 1, 1969	101	4.94
Chicago Rapid Transit Co.	6½% July 1, 1944	85	8.30
Republic of Costa Rica (Pac. Rwy.)	7½% Sept. 1, 1949	99⅛	7.50
Cuba Northern Rwy.	5½% June 1, 1942	69¼	9.83
German Central Bank for Agriculture	6 % Oct. 15, 1960	84	7.32
Kingdom of Italy	7 % Dec. 1, 1951	99⅛	7.08
Japanese Government	6½% Feb. 1, 1954	103⅜	6.21
Lautaro Nitrate Co., Ltd., Conv.	6 % July 1, 1954	81½	7.69
National Hotel of Cuba, Income Debs.	6 % Sept. 1, 1959	85	7.24
Norwegian Hydro-Elec. Nitrogen	5½% Nov. 1, 1957	92	6.10
Northern Ohio Power & Light, Debs.	6½% Jan. 1, 1941	95	7.17
Paris Lyons & Med. Railroad	6 % Aug. 15, 1958	103¼	5.76
Republic of Peru	6 % Dec. 1, 1960	75	8.24
Savoy Plaza Corp.	5½% Feb. 1, 1938	90	7.16
State of Tennessee Central Rwy.	6 % April 1, 1947	99	6.09
Anaconda Copper Mining Co.	Common Stock	73¼	—
Baltimore & Ohio Railroad Co.	Common Stock	116	—
Beaux-Arts Apartments Inc.	Units	92 per unit	
Belgian National Railways	6 % Pcptg. Pfd. Stock (Amn. Shares)	83½	7.19
Cannon Mills Co.	Common Stock	32	—
General Italian Edison Electric Corp.	Common (Amn. Shares)	44	—
General Mills, Inc.	Common Stock	50⅞	—
General Motor Corp.	Common Stock	42¼	—
Pennsylvania Railroad Co.	Common Stock	81⅞	—
Standard Oil Co. of New York	Common Stock	32⅛	—
United Aircraft & Transport Corp.	Common Stock	55¼	—
United States Steel Corp.	Common Stock	179¼	—
Republic of China Gold Loan	5 % 1925	63¼	—
Chinese Govt. Re-org. (£) Loan Stamped	5 % 1913-60	62	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 % 1913-60	60½	—
Chinese Govt. (Crisp Loan)	5 % 1912	48	—
Shanghai Nanking Railway	5 % 1904/08	60	—
Shanghai Hangchow Ningpo Railway	5 % 1908/38	73	—
Hukuang Railway	5 % 1911/1951	29	—
Tientsin Pukow Railway	5 % 1908/06	28	—

NOTE: The Above Quotations are received by cable, and whilst believed to be correct, are not guaranteed.

Harold Lloyd Picture Is Banned and Apology Asked For

The strong agitation on the part of Chinese against the screening of Harold Lloyd's latest and first all-talking comedy "Welcome Danger" at the Capitol and Grand theaters compelled the managements of both of these theaters to withdraw the film on Monday night. The film played to packed houses during all three shows from Friday until Monday.

The action of the Chinese press in taking up the fight in its editorial and correspondent columns, combined with that of the Film Examination Commission of the Special Shanghai District, were the chief causes of the withdrawal of the film.

According to an article appearing in the *Shanghai Mercury* on Thursday a special meeting of the Shanghai Special District Kuomintang passed a resolution demanding that all Harold Lloyd pictures be banned pending his personal apology.

Exchange Circular for week ending Wednesday, 26th February. 1930.

Silver:—A fresh low record was established on the 21st inst. and today Preliminary estimates show the World's production in 1929 as 255 million ounces. Additional supplies were released in 1929 from the debasement of silver coins (about 20,000,000 ounces) principally by France and England, and the very large sales (estimated in some quarters as 35,000,000 ounces, but not authenticated) of surplus silver held by the Indian Government.

We are advised that an adverse position is established however, by the fact that the quantity of silver rupees accruing to the Treasury has offset the sales, and the Indian Government's supplies have not materially decreased, the reserves being still heavy.

Exchange:—The official rate for T/T on London on the 20th inst. was 1/11⅛d lowered on the 21st inst. to 1/11⅛d. increased to 1/11⅜d. at the 22nd: again lowered on the 24th to 1/11⅛d. and remains thus.

On Thursday the 20th inst. our opening rates were: T/T on London 1/11⅛d. on New York G. $ 47⅞: Yen Cross rate 49⅛: Yen 102¼: 4 m/st Credits 2/0⅜d: G.$49⅜: Gold Bar 490. Prices wavered around the above, with small variations each way: on the 21st. inst. the best obtainable in the morning for T/T was 1/11$\frac{15}{16}$d. and G.$47¾, but rates improved later, and at the close 1/11⅞d and G. $ 48⅛ was going: the movements of the Gold Bar were erratic between 494.50 and 488.50. On the 22nd inst. a lower level prevailed at 1/11⅜d. and G. $ 48 for merchants, with business very slack. On the 24th with but little doing either way a slightly easier tone developed, accentuated on the 25th inst. when at the close 1/11⅛d. and G. $ 48⅛ were the best procurable for near. Today the market opened quiet, but became easier during the morning and we quote as closing at noon T/T on London 1/11⅜d., T-T on New York 47⅛, 4 m/st Credits 2/0d., Yen 103¼, Gold Bar 496.30.

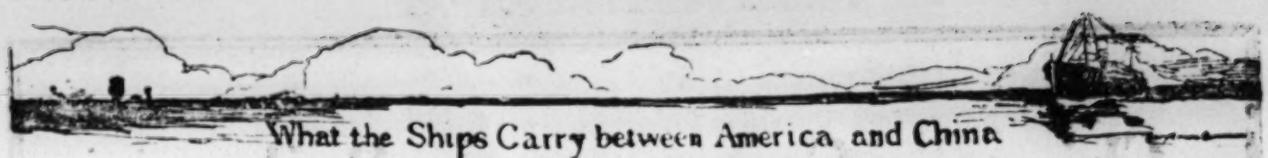
Our stocks of silver are reported as follows:—

Sycee and Bar Silver..... Tls. 110,727,000 a increase of Tls. 1,064,000
Chinese and Mexican Dollars ..... $ 144,370,000 an increase of $ 2,410,000
Estimated value Tls. 214,673,000 as against Tls. 158,053,000 held at this time last year.

	Average rates for January	Thursday Feb. 20	Saturday Feb. 21	Friday Feb. 22	Monday Feb. 24	Tuesday Feb. 25	Wed. Feb. 26
Bank's selling rates		opening closing	opening closing	opening closing	opening closing	opening closing	opening closing
T/T on London	2/0.196	1/11½	1/11⅞	1/11½	1/11⅝	1/11¾	1/11¾
D/Dfts ,,	—	1/11$\frac{15}{16}$	1/11$\frac{15}{16}$	1/11$\frac{15}{16}$	1/11$\frac{15}{16}$	1/11$\frac{15}{16}$	1/11$\frac{15}{16}$
4 m/s ,,	—	1/11$\frac{11}{16}$	1/11$\frac{7}{16}$	1/11$\frac{11}{16}$	1/11$\frac{7}{16}$	1/11$\frac{7}{16}$	1/11$\frac{7}{16}$
T/T India	134.707	131	129½	131	129¾	129¾	129¾
T/T France	1,248.522	1216	1203	1216	1203	1203	1203
T/T On N. Y. Demand	49 098	47⅝	47⅛	47⅜	47⅛	47⅛	47⅛
T/T Hamburg R. M.		47¾	47¼	47¾	47¼	47¼	47¼
T/T H'kong	80.859	199½	197	199½	197	197	197
T/T Japan	100.120	80nom.	80nom	80nom	80¼nom.	80¼nom.	80¼nom.
T/T Batavia	122.120	103¼	104⅜	103⅜	104½	104½	104½
T/T Straits	115.391	118½	117¼	118½	117¼	117¼	117¼
Bk s'buying rates		118¼	119½	118½	119½	119½	119½
4 m/s B/L. Cred. D/A	2/1.533	2/0¼	2/0½	2/0¼	2/0⅜	2/0½	2/0¼
4 m/s ,, D/P	—	2/0⅞	2/0⅝	2/0⅞	2/0⅜	2/0⅝	2/0⅜
6 m/s ,, B/L Cred D/A	2/1.889	2/1$\frac{1}{16}$	2/0¼	2/1	2/0¼	2/0¼	2/0¼
4 m/s B/F Cred D/A or D/P	1,329.783	1295	1280	1295	1280	1280	1280
4 m/s N.Y.Lc.	52.837	50¾	50¼	50½	50	50	50
4 m/s ,, Doc.	—	51¼	50¾	51	50½	50⅝	50½

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Feb. 20	Feb. 21	Feb. 22	beF. 24	Feb. 25	Feb. 26
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence	19$\frac{13}{16}$	19$\frac{13}{16}$	20	19$\frac{15}{16}$	19⅞	20$\frac{1}{16}$
**New York Price of Bar Silver per oz. (Pure)	G.$.43⅜	G.$.42⅞	G.$ 43¼	G.$. —	G.$.43	G.$.42⅞
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch)	Tls. 491⁷⁰	Tls. 488⁰⁰	Tls. 489²⁰	Tls. 492²⁰	Tls. 495²⁰	Tls. 495⁰⁰
Shanghai Silver Bars (weight Tls. 100 (Canton) 999 touch)	110⁰⁰	110⁰⁰	110⁰⁰	110⁰⁰	110⁰⁰	110⁰⁰
Shanghai Mexican Dollars per $100	71.9625	72.	71.9875	72.0125	72.0375	72.05
Native Bank Rate of Interest (Call money)	Nil	Nil	Nil	Nil	Nil	Nil
*Closing Price in London for Previous day						
**Closing Price in New York for Previous day						

Bank of England rate of discount	4½%	London on Paris	T/T 124.18
Bank of France rate of discount	3 %	New York on London	T/T 4.86$\frac{5}{16}$
London open Market of Dis. 3 m/s	3$\frac{13}{16}$%	Bombay on London	T/T 1/5$\frac{15}{16}$
,, 4 ,,	3$\frac{11}{16}$%	Hongkong on London	T/T 1/6¾
,, 6 ,,	3$\frac{7}{16}$%	Kobe on London	T/T 2/0$\frac{7}{32}$



What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs.—Pieces; Mills—thousands; Hk. Tls.—Haikwan Tls.; Feb. Customs Rate Tls. 1.71 equal Gold $1

PRESIDENT PIERCE. January 9.
(Agents: Robert Dollar Co.)
To U. S. of America.

Silk, Raw, Filature:
White, S'hai...Bls. 230 Pls. 228.80
White, Soochow Bls. 20 „ 19.89
Yellow, Chungking, etc. .....Bls. 99 „ 99.76
Silk, Raw, Reeled from Doupions:
Shanghai .....Bls. 30 Pls. 30.08
Silk, Waste, Refuse:
Shanghai .....Bls. 1 „ 0.81
Dairen, etc .....Bls. 41 „ 135.00
Silk Piece Goods ..... „ 2.68
Silk Pongees, Honan..... „ 1.26
Tea, Green:
Gunpowder, Ningpo... „ 2
Brassware..... „ 26
Egg Albumen, Dried..... „ 23
Egg Yolk, Dried..... „ 38
Feathers, Duck..... „ 98
Hair, Human ..... „ 65
Soapstone Ornaments ... „ 39
Walnuts, Kernels..... „ 412
Skins, Goat, Untanned... „ 258
Skins, Lamb, Untanned... Pcs. 5,000
Woollen Rugs ..... „ 28

GOLDEN STAR, January 10.
(Agents: States S.S. Co.)
From U. S. of America.

Gasolene .....Galls. 20,000
Oil, Kerosene, in Drums „ 212,000

ARABIA MARU, January 11.
(Agents: Osaka Shosen Kaisha.)
To U. S. of America.

Silk, Waste, Refuse:
Shanghai .....Bls. 7 Pls. 23.41
Tea, Black, Congou, Hankow,, 23
Feathers, Duck ..... „ 33
Feathers, Goose..... „ 59
Hides, Buffalo ..... „ 302
Oil, Wood..... „ 2,184
Tallow, Vegetable..... „ 252
Wool, Sheep's ..... „ 356
Skins, Lamb, Untanned... Pcs. 500

PRESIDENT JACKSON. Jan. 16.
(Agents: Robert Dollar Co.)
To U. S. of America.

Silk, Raw, Steam Filature:
White, S'hai...Bls. 25 Pls. 24.40
Silk, Waste, Refuse:
Shanghai .....Bls. 53 „ 73.06
Silk Piece Goods ..... „ 7.03
Silk Pongees, Shantung... „ 46.90
Tea, Black, other kinds, Kiukiang..... „ 21
Tea, Green, Gunpowder, Ningpo..... „ 111
Antimony, Oxide..... „ 336
Brassware..... „ 77
Cigarettes..... „ 27
Egg Albumen, Dried..... „ 33
Egg Albumen, Frozen ... „ 256
Egg Whole Egg, Frozen.. „ 192
Hair, Human ..... „ 266
Oil, Wood..... „ 13,972
Walnuts, Kernels..... „ 206
Treasure:
Gold Bars.....Hk.Tls. 172,356

Latest New York Stock Exchange Quotations

Market Steady — Feb. 26. — Business Done 2,638,910 Shares

1929 High	1929 Low	STOCKS	Mon. Feb. 24	Tues. Feb. 25
34	20	Adams Express	Unq	32⅜
354¼	197	Allied Chemical & Dye	Unq	265¼
110	23	Allied Power & Light	Unq	Mutl.
184½	86	American Can	134¾	136⅞
144⅝	60	American Rolling Mill	92½	93⅞
130¼	62	American Smelting	72¼	72
310¼	193¾	American Tel. & Tel.	230¾	231¾
235	160	American Tobacco "B"	231¼	231½
199	50	American Water Works	101¼	102
140	67½	Anaconda Copper	73¼	73
77⅞	30	Atlantic Refining	38⅛	38
145⅛	105	Baltimore & Ohio	116⅛	116
*140¾	78¾	Bethlehem Steel	98¾	98⅛
* 86⅞	26	Borg Warner	39	40
61⅞	25	Calumet & Hecla	29⅝	29⅞
265⅞	185	Canadian Pacific Railway	208½	207
92	42⅛	Chesapeake Corporation	73	72
143½	97	Chicago Rock Island	Unq	120
135	26	Chrysler	37⅜	38
68⅛	20	Cities Service, Common	32¾	32⅞
140	52	Columbia Gas & Electric	89⅛	89¾
88¾	16⅛	Columbia Graphaphone	28¼	27½
63	20⅛	Commercial Solvents	30½	30⅜
24¾	10	Commonwealth Southern	16¾	16⅝
185¼	80⅛	Consolidated Gas of N. Y.	120	117⅜
47⅛	18	Continental Oil	20⅛	19¾
126⅛	70	Corn Products	92¼	93
82¼	20⅛	Coty, Inc.	28⅜	28
30⅛	6⅜	Curtiss Wright, Common	10⅜	10¼
69⅛	21¼	Davison Chemical	37⅜	37¼
231	80	Du Pont de Nemours	123	123⅜
264¼	150	Eastman Kodak Company	205	211
189	50	Electric Bond & Share	94½	Unq
93½	41½	Erie Railway	59	58⅞
105⅜	17	Fox Film "A"	31⅜	32⅜
63¼	55¼	General Electric	71⅛	72½
81¾	35	General Food	50⅜	51
91¼	33½	General Motors	41¾	42
126½	70	General Railway Signal	91¾	91
82	31½	Gold Dust	41⅝	41½
105¼	38⅜	Goodrich Rubber	46¼	46½
154½	60	Goodyear Tire & Rubber Co.	80	80
102⅞	43	Granby	56½	56¼
122¼	80	Great Northern Certificate	Unq	Unq
70	14¼	Grigsby Grunow	16½	16½
102¾	48	International Cement	Unq	57¼
103½	4¼	International Comb. Engine	7¼	7½
142	65	International Harvester	89⅜	90⅜
59½	23	„ Hydro-Elec. "A"	42⅜	42⅞
72¾	25	International Nickel	37⅜	36¾
68⅜	40	International Printers Ink	53	52¾
14¾	4¼	International Product's (Com)	6½	6½
149¼	53	International Tel. & Tel.	67⅛	67⅜
242¾	90	Johns Manville	132	132¼
104⅞	49⅜	Kennecott Copper	56⅝	57⅛
157¼	80⅛	Lambert Company	102⅞	102⅜
106¼	80	Liggett & Myers, "B"	96¼	96¼
114¾	55⅛	Mack Trucks	78⅝	79½
24	11½	Madison Square Garden	13	Unq
101⅛	46	Missouri Pacific (Com)	91⅛	91⅜
156⅞	42⅜	Montgomery Ward	44⅛	44
62⅞	23¼	Nevada Consolidated Copper	28	27⅜
256½	160	New York Central	182½	180
118⅞	75⅛	Northern Pacific Railway	94⅜	92
146½	56⅛	Pacific Lighting	88	88
32½	13	Packard Motor Car	18⅞	19⅝
75½	35	Paramount Famous Lasky	65⅝	66½
110	72½	Pennsylvania Railway	82½	81½
30	13⅛	Penroad Corporation	15	15
47	24¼	Phillips Petroleum	30	30⅞
137¾	54	Public Service of New Jersey	95¼	95
114¾	26	Radio Corporation	44¼	44⅛
66	39	Reynolds Tobacco, "B"	53½	53½
181	80	Sears Roebuck	87	87⅝
31¾	19	Shell Union	21⅝	21½
188	59½	Simmons Company	67⅛	64¾
93¼	45⅛	Southern California Edison	63⅞	63¾
157½	105	Southern Pacific Railway	121½	123
44¼	20	Standard Brands	26	25⅞
243¾	73½	Standard Gas & Electric	117½	117¼
83	43	Standard Oil of New Jersey	58½	58⅞
48⅛	31¾	Standard Oil of New York	32⅛	32½
71⅞	50	Texas Corporation	50⅞	51⅛
85¼	42½	Texas Gulf Sulphur	61	60⅝
139⅜	58½	Timken Roller Bearing	76	75½
67⅜	20¼	Trans America	45¾	45⅜
140	59	Union Carbide & Carbon	89	89
297⅝	200	Union Pacific Railway	225	224
162	31	United Aircraft & Transport	52¼	54½
20½	6¼	United Dry Docks	8	8⅛
119½	50½	U.S. Realty & Improvement	65⅛	64⅞
261¾	150	United States Steel	179½	179⅛
116½	37½	Vanadium	65¼	65⅞
292⅜	100	Westinghouse E & M. (Com)	170¾	172⅜
35	5¼	Willys Overland	10	10
		Commonwealth Southern Option Warrants		5⅞
		Call Money	4%	4⅛%

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Chinese Government Railways

Shanghai-Nanking and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Shanghai-Nanking Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Lineat least to visit Soochow known as the *"Garden City of the Orient"*, Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the *"Gate of the Yangtze River"*, and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the *"Switzerland of China"*. Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

Chinese Government Railways

Peiping-Hankow Line

"The Road Through the Heart of China"

Time Table

In effect Feb. 20, 1929

From Peiping to Hankow

Station / Train	Peiping	Shihkiachuan	Chengchow	Hsiaokanhsien	Hankow
* No. 1	d.18.00	a. 2.16 d. 2.56	a.17.15 d.17.35	d.11.49	a.14.20
* No. 11	d. 9.55	a.19.27 d.20.07	a.13.26 d.13.46	a.12.18 d.12.23	a.16.05
* No. 3			d.13.15	a. 7.18 d. 7.21	a. 9.50
No. 9	d. 9.40	a.18.21 d.19.01	a 10.50		
No. 23	d. 5.40	a 21.44			
No. 25		d. 3.45	a. 5.05		
No. 27			d.10.06	a.20.07 d.20.37	a. 2.33
No. 75				d.13.00	a.17.05

From Hankow to Peiping

Station / Train	Hankow	Hsiaokanhsien	Chengchow	Shihkiachuan	Peiping
* No. 2	d.18.00	d.20.39	a.14.28 d.14.48	a. 5.05 d. 5.45	a.13.50
* No. 12	d.10.50	a.14.51 d.14.56	a.13.13 d.13.33	a. 7.32 d. 8.12	a.17.30
* No. 4	d.13.30	a.16.01 d.16.03	a.10.05		
No. 10			d.17.41	a. 9.33 d.10.13	a.18.35
No. 28	d. 1.00	a. 7.00 d. 7.20	a.17.34		
No. 26			d.22.34	a. 2.15	
No. 24				d. 7.40	a.20.06
No. 74	d. 7.45	a.11.39			

REMARKS: *With First, Second and Third Class Dining Cars.

Telegraphic Address "KINCO" Code A. B. C. 5th Edition. For further information, address Hankow Line, Managing Director, Peiping-Hankow.

Lung-Hai and Pien-Lo Lines

In Operation: From Tapu (Haichow) to Lingpao: 825 Kilometers

In Construction: From Lingpao to Sianfu: 225 Kilometers

"The Great Overland Route in China"

This Line will soon become the most important Railway in China, connecting as it will, the remote provinces of Kansu, Shensi and Honan with the sea and passing through the ancient and famous capitals of Lanchow, Sian, Loyang and Kaifeng.

There are many points of historical interest to visit along the line, the best known being Lung-Men with its gigantic display of carved stone Buddhas, dating back from the introduction of Buddhism into China, some 2000 years ago.

The Lunghai and Pienlo Lines are connected at Hsuchow with the Tientsin-Pukow Railway and at Chengchow with the Peking-Hankow Railway.

An "Express" train runs thrice a week between Hsuchow and Chengchow leaving Hsuchow Monday, Wednesday and Friday, and leaving Chengchow Tuesday, Thursday and Saturday. This train is provided with 1st and 2nd class cars, sleeping and dining accommodations.

For further particulars, intending passengers are requested to apply to the Shanghai Office, Lunghai Railway Administration, at the Chung-Foo Bank Building, 25 Jinkee Road.

Shanghai

中華郵政特准掛號認爲新聞紙類

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"Remington"

TYPEWRITERS-

AGENTS THROUGHOUT CHINA